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

**AMENDMENT NO. 2
TO
FORM 8-A**

**FOR REGISTRATION OF CERTAIN CLASSES OF SECURITIES
PURSUANT TO SECTION 12(b) OR 12(g) OF THE
SECURITIES EXCHANGE ACT OF 1934**

PMC Commercial Trust
(Exact name of registrant as specified in its charter)

Texas
(State of incorporation or organization)

17950 Preston Road, Suite 600
Dallas, Texas
(Address of principal executive offices)

75 6446078
(IRS Employer Identification No.)

75252
(Zip Code)

Securities to be registered pursuant to Section 12(b) of the Act:

Title of each class
to be so registered
Common Shares of Beneficial Interest, par
value \$.01 per share

Name of each exchange on which
each class is to be registered
The NASDAQ Stock Market LLC

If this Form 8-A relates to the registration of a class of securities pursuant to Section 12(b) of the Exchange Act and is to become effective pursuant to General Instruction A.(c), please check the following box.

If this Form 8-A relates to the registration of a class of securities pursuant to Section 12(g) of the Exchange Act and is to become effective pursuant to General Instruction A.(d), please check the following box.

Securities Act registration statement file number to which this form relates: _____

Securities to be registered pursuant to Section 12(g) of the Act:
None.

INFORMATION REQUIRED IN REGISTRATION STATEMENT

Item 1. Description of Company's Securities to be Registered.

Pursuant to the Agreement and Plan of Merger dated July 8, 2013 by and among by PMC Commercial Trust (the "**Company**"), Southfork Merger Sub, LLC, a wholly owned subsidiary of the Company, CIM Urban REIT, LLC ("**CIM REIT**"), and CIM Merger Sub, LLC, a wholly-owned subsidiary of CIM REIT (as amended, the "**Merger Agreement**"), upon the closing of the merger and the other transactions contemplated thereby (the "**Merger**") the Company is obligated to issue 22,000,003 common shares of beneficial interest, par value \$0.01 per share ("**Common Shares**"), and 65,028,571 Class A convertible cumulative preferred shares of beneficial interest, par value \$0.01 per share, (the "**Preferred Shares**"), to Urban Partners II, LLC ("**Urban II**"), the members of which will be CIM REIT and CIM Urban Partners GP, LLC ("**CIM GP**"). A description of the Merger Agreement and the Merger is set forth in the Company's definitive Proxy Statement/Prospectus dated December 30, 2013, as filed with the Securities and Exchange Commissions (the "**Commission**") on December 30, 2013 (the "**Proxy Statement / Prospectus**"), and the Supplement to the definitive Proxy Statement/Prospectus dated January 31, 2014 and filed with the Commission on that date.

The Company's listing application with respect to the Common Shares has been approved by The NASDAQ Stock Market LLC.

General

The rights of the holders of the Common Shares are subject to the Company's Declaration of Trust (as amended, the "**Declaration of Trust**") and the Company's Bylaws (as amended, the "**Bylaws**"), the Statement of Designation of the Class A Preferred Shares of Beneficial Interest of PMC Commercial, dated as of March 10, 2014 (the "**Statement of Designation**") and the Registration Rights and Lockup Agreement, dated as of March 11, 2014 between the Company and Urban II (the "**Registration Rights and Lockup Agreement**"), each of which is attached as an exhibit hereto and incorporated herein by reference. The summary description of the Common Shares contained herein does not purport to be complete and is qualified in its entirety by reference to such documents.

The Declaration of Trust of the Company authorizes the Company to issue up to 100,000,000 shares of beneficial interest of the Company ("**Trust Shares**"), which may consist of Common Shares, preferred shares of beneficial interest and such other types of classes of shares of beneficial interest as the Company's board of trust managers (the "**Trust Managers**") may create and authorize from time to time. Upon completion of the issuance of the Common Shares pursuant to the Merger Agreement, 32,596,223 Common Shares will be issued and outstanding and 65,028,571 Preferred Shares will be issued and outstanding. Each Preferred Share is convertible into seven Common Shares. Following consummation of the Merger, the Company is obligated to seek shareholder approval of an increase in the number of authorized Common Shares to one billion shares.

Voting and Other Rights

The Declaration of Trust provides that, except as otherwise specifically required by law or the Declaration of Trust or as specifically provided in any resolution of the Company's Trust Managers providing for the issuance of preferred shares, the holders of Common Shares ("**Common Shareholders**") shall have the exclusive right to vote on all matters as to which shareholders are entitled to vote pursuant to applicable law at all meetings of the shareholders of the Company. Each outstanding Common Share entitles a Common Shareholder to one vote on all matters submitted to a vote of shareholders, including the election of Trust Managers. There is no cumulative voting in the election of Trust Managers, which means that the holders of a majority of the outstanding Common Shares can elect each of the Trust Managers then standing for election. Subject to any provisions of the Texas Business Organizations Code (the "**TBOC**") or the Declaration of Trust which may require a greater percentage, any matter to be voted upon by the Common Shareholders shall be approved if the matter receives the affirmative vote of the holders of at least a majority of the shares that are represented in person or by proxy at a meeting of shareholders at which a quorum is present. Those actions of shareholders requiring a supermajority vote of the holders of at least two-thirds (2/3) of the outstanding shares of the Company include (a) amending the Declaration of Trust and (b) removing a Trust Manager.

Common Shareholders are entitled to such distributions as may be declared from time to time by the Trust Managers out of funds legally available therefor; provided that, the ability of the Trust Managers to declare such distributions shall be subject to the provisions of any class or series of shares outstanding, including the terms of the Preferred Shares described in the Statement of Designation.

Common Shareholders have no conversion, redemption or preemptive rights to subscribe for any securities of the Company under the Declaration of Trust or Bylaws. All outstanding Common Shares are and shall be fully paid and nonassessable. In the event of liquidation, dissolution or winding up of the affairs of the Company, Common Shareholders shall be entitled to share ratably in the assets of the Company remaining after provision of payment of liabilities to creditors and payment of liquidation preferences to holders of the Preferred Shares described in the Statement of Designation.

Indemnification

Both the TBOC and the Declaration of Trust provide that no shareholder of the Company will be individually or personally liable for any obligation of the Company. The Bylaw's further provide that the Company shall indemnify each shareholder, including Common Shareholders, against any claim or liability to which the shareholder may become subject by reason of his being or having been a shareholder.

Preferred Shares

The preferred shares authorized by the Declaration of Trust may be issued from time to time in one or more series in such amounts and with such preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms or conditions of redemption as may be fixed by the Trust Managers. Under certain circumstances, the issuance of preferred shares may adversely affect the voting and other rights of the Common Shareholders. Upon completion of the Merger contemplated by the Merger Agreement, 65,028,571 Preferred Shares will be issued to Urban II. The rights of the Common Shareholders are subject to the rights of the holders of Preferred Shares, including the right of such holders to convert the Preferred Shares into Common Shares on a 7-for-1 basis and the right to receive distributions in preference to the Common Shares. Such Preferred Shares have not been registered and are not being registered pursuant to this Form 8-A.

A description of the terms of the Preferred Shares and the Statement of Designation is contained in the Proxy Statement / Prospectus under the section entitled "THE TERMS OF THE PMC COMMERCIAL PREFERRED SHARES" and is incorporated herein by reference. A copy of the Statement of Designation is attached hereto as Exhibit 8 and is incorporated herein by reference. The foregoing referenced description of the Preferred Shares and the Statement of Designation does not purport to be complete and is qualified in its entirety by reference to the full text of the Statement of Designation.

Classification or Reclassification of Shares of Beneficial Interest

The Declaration of Trust authorizes the Trust Managers to classify or reclassify any unissued Common Shares by setting or changing the preferences, conversion or other rights, voting powers, restrictions, limitations as to distributions, qualifications or terms or conditions of redemption.

Restrictions on Transfer

For the Company to continue to qualify as a REIT under the Internal Revenue Code of 1986, as amended (the "Code"), (i) not more than 50% in value of its outstanding Trust Shares may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities) during the last half of a taxable year, (ii) the Trust Shares must be beneficially owned by 100 or fewer persons during at least 335 days of a taxable year of 12 months or during a proportionate part of a shorter taxable year and (iii) certain percentages of the Company's gross income must be from particular activities. The Declaration of Trust, subject to certain exceptions, provides that no holder other than any person approved by the Trust Managers, in their discretion (provided that such approval will not result in termination of the status of the Company as a REIT) may own, or be deemed to own by virtue of the attribution provisions of the Code, more than 9.8% of the lesser of the number or value (in either case as determined in good faith by the Trust Managers) of the total outstanding Trust Shares (the "Ownership Limit"). The Trust Managers may waive the Ownership Limit if evidence satisfactory to the Trust Managers and the Company's tax counsel is presented that such ownership will not then or in the future jeopardize the Company's status as a REIT. As a condition of such waiver, the intended transferee must give written notice to the Company of the proposed transfer and must furnish such opinions of counsel, affidavits, undertakings, agreements and information as may be required by the Trust Managers no later than the 15th day prior to any transfer which, if consummated, would result in the intended transferee owning Trust Shares in excess of the Ownership Limit. The foregoing restrictions on transferability

and ownership will not apply if the Trust Managers determine that it is no longer in the best interests of the Company to continue to qualify as a REIT. Any transfer or issuance of Trust Shares or any securities convertible into Trust Shares that would (i) create a direct or indirect ownership of Trust Shares in excess of the Ownership Limit, (ii) with respect to transfers only, result in the Trust Shares being owned by fewer than 100 persons or (iii) result in the Company being “closely held” within the meaning of Section 856(h) of the Code, shall be null and void, and the intended transferee will acquire no rights to the Trust Shares.

The Declaration of Trust provides that the Company, by notice to the holder thereof, may purchase any or all Trust Shares (the “**Excess Shares**”) that are proposed to be transferred pursuant to a transfer which, if consummated, would result in the intended transferee owning Trust Shares in excess of the Ownership Limit or would otherwise jeopardize the REIT status of the Company. The purchase price of any Excess Shares shall be equal to the fair market value of such Excess Shares on the last trading day immediately preceding the day on which notice of such proposed transfer was sent, as reflected in the closing sales price for the Excess Shares, if then listed on a national securities exchange, or such price for the Excess Shares on the principal exchange if then listed on more than one national securities exchange, or, if the Excess Shares are not then listed on a national securities exchange, the latest bid quotation for the Excess Shares if then traded over-the-counter, or, if no such closing sales price or quotations are available, the fair market value as determined by the Trust Managers in good faith.

From and after the date fixed for purchase by the Trust Managers, so long as payment of the purchase price for the Excess Shares to be so redeemed shall have been made or duly provided for, the holders of such Excess Shares to be purchased by the Company shall cease to be entitled to distribution, voting rights and other benefits with respect to such Excess Shares except the right to payment of the purchase price for the Excess Shares. Any dividend or distribution paid to a proposed transferee on Excess Shares prior to the discovery by the Company that such Excess Shares have been transferred in violation of the provisions of the Declaration of Trust shall be repaid to the Company upon demand. If the foregoing transfer restrictions are determined to be void or invalid by virtue of any legal decision, statute, rule or regulation, then the intended transferee of any Excess Shares may be deemed, at the option of the Company, to have acted as an agent on behalf of the Company in acquiring such Excess Shares and to hold such Excess Shares on behalf of the Company.

All persons who own, directly or by virtue of the attribution provisions of the Code, more than 5% in number or value of the Company’s outstanding Trust Shares must give a written notice to the Company containing the information specified in the Declaration of Trust by January 31 of each year. In addition, each shareholder must, upon demand, disclose to the Company in writing such information with respect to the direct, indirect and constructive ownership of Trust Shares as the Trust Managers deem necessary to comply with the provisions of the Code applicable to a REIT, to comply with the requirements of any taxing authority or governmental agency or to determine any such compliance.

The Trust Managers of the Company have determined that the Ownership Limitation shall not be applicable to Urban II, CIM REIT and CIM GP.

Registration Rights and Lockup Agreement

In connection with the Merger, Urban II and the Company executed and delivered the Registration Rights and Lockup Agreement. A description of the Registration Rights and Lockup Agreement is contained in the Proxy Statement / Prospectus under the section entitled “THE REGISTRATION RIGHTS AND LOCKUP AGREEMENT; MASTER SERVICES AGREEMENT – Registration Rights and Lockup Agreement” and is incorporated herein by reference. In addition, a copy of the Registration Rights and Lockup Agreement is attached hereto as Exhibit 9 and is incorporated herein by reference. The foregoing referenced description of the Registration Rights and Lockup Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Registration Rights and Lockup Agreement.

Item 2. Exhibits.

1. Declaration of Trust (incorporated by reference to the exhibits to the Company’s Registration Statement on Form S-11 filed with the Commission on June 25, 1993, as amended (Registration No. 33-65910)).
2. Amendment No. 1 to Declaration of Trust (incorporated by reference to the exhibits to the Company’s Registration Statement on Form S-11 filed with the Commission on June 25, 1993, as amended (Registration No. 33-65910)).
3. Amendment No. 2 to Declaration of Trust (incorporated by reference to the Registrant’s Annual Report on Form 10-K for the year ended December 31, 1993).
4. Amendment No. 3 to Declaration of Trust dated February 10, 2004 (incorporated by reference to the Company’s Annual Report on Form 10-K for the year ended December 31, 2003).

5. Bylaws (incorporated by reference to the exhibits to the Company's Registration Statement on Form S-11 filed with the Commission on June 25, 1993, as amended (Registration No. 33-65910)).
6. Amendment No. 1 to Bylaws (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on April 16, 2009).
- 7.* Amendment No. 2 to Bylaws.
- 8.* Statement of Designation of the Class A Preferred Shares of Beneficial Interest of PMC Commercial dated as of March 10, 2014.
- 9.* Registration Rights and Lockup Agreement dated as of March 11, 2014 between the Company and Urban Partners II, LLC.

* Filed herewith.

SIGNATURE

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the Company has duly caused this registration statement to be signed on its behalf by the undersigned, thereto duly authorized.

Dated: March 11, 2014

PMC COMMERCIAL TRUST

/s/ Jan F. Salit

Name: Jan F. Salit

Title: President

**SECOND AMENDMENT
TO THE
BYLAWS
OF
PMC COMMERCIAL TRUST**

Pursuant to the provisions of Section 200.058(c) of the Texas Business Organizations Code (the “Code”) and Article 26 of the Declaration of Trust of PMC Commercial Trust (the “Trust”), as amended, the Board of Trust Managers adopts the following Second Amendment to the Bylaws of the Trust (the “Amendment”). Except as modified by this Amendment, the Bylaws remain unaltered and in full force and effect.

1. Section 3.2 of the Bylaws is hereby deleted and replaced in its entirety with the following:

Section 3.2 Number and Qualification. The Board of Trust Managers shall be comprised of not less than three nor more than 15 members who shall be elected annually by the shareholders. Subject to any limitations specified by law or in the Declaration of Trust, the number of Trust Managers may be increased or decreased by resolution adopted by a majority of the Trust Managers. No decrease in the number of Trust Managers shall have the effect of shortening the term of any incumbent Trust Managers. Trust Managers must be at least 18 years of age and must not be subject to any legal disability.

Prior to the nomination of any individual to the Board of Trust Managers, such nominee must complete the Trust’s standard form of trust manager and officer questionnaire, make representations regarding agreements the nominee may have entered into that may impact the fulfillment of his or her fiduciary duties if elected and regarding the lack of any agreement or understanding regarding how such nominee would act or vote on any issue. The nominee must also represent that if elected, he or she would comply with the Trust’s publicly disclosed Code of Business Conduct and Ethics.

**STATEMENT OF DESIGNATION
OF THE CLASS A PREFERRED SHARES
OF BENEFICIAL INTEREST OF
PMC COMMERCIAL TRUST**
(the “**Statement**”)

The Trust Managers (the “**Trust Managers**”) of PMC Commercial Trust (the “**Trust**”), pursuant to the Declaration of Trust of the Trust (as amended, the “**Declaration**”) and Title 5 of the Texas Business Organizations Code (the “**Texas REIT Act**”) hereby (i) authorize the issuance of a class of Preferred Shares (the Class A Preferred Shares, as defined below) and (ii) classify 65,028,571 of the authorized but unissued shares of the Trust into Class A Preferred Shares (as defined below).

Defined Terms.

“**Business Day**” shall mean any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions in Texas are authorized or required by law, regulation or executive order to close.

“**Class A Preferred Amount**” shall have the meaning set forth in paragraph 3 below.

“**Class A Preferred Shares**” shall have the meaning set forth in paragraph 1 below.

“**Common Shares**” shall have the meaning set forth in the Declaration.

“**Conversion Date**” shall have the meaning set forth in paragraph 5(a) below.

“**Conversion Deadline**” shall mean **September 11, 2014**; provided, however, that in the event that the Conversion Date does not occur on or prior to September 11, 2014 due to the occurrence of one or more of the events specified below (each, a “**Force Majeure Event**”), then the Conversion Deadline shall be extended by one day for each day by which such Force Majeure Event(s) has delayed the occurrence of the Conversion Date (provided that each of Trust and the holders of Common Shares and Class A Preferred Shares issued in connection with the Merger Agreement uses its reasonable commercial efforts to cure the applicable Force Majeure Event and effect the Conversion Date as promptly as practicable). For purposes of this Statement, “**Force Majeure Events**” shall mean: (a) any action taken by any court, governmental body (including the Securities and Exchange Commission), or any other person or entity unaffiliated with the holders of Common Shares and Class A Preferred Shares issued in connection with the Merger Agreement that prevents or delays the Conversion Date; or (b) fire, flood, earthquakes, interruption of utilities, strikes, labor disturbances, terrorism, riots, explosions, civil disorders, armed conflict, economic catastrophe, governmental (including Securities and Exchange Commission) shutdown, breakdowns or malfunctions, interruptions or malfunctions of computer facilities, loss of data due to power failures or mechanical difficulties with information storage or retrieval systems, or other forces or events beyond the control of Trust and/or the holders of Common Shares and Class A Preferred Shares issued in connection with the Merger Agreement.

“**Dividend Date**” shall mean the record date, as defined in Section 6.101 of the Texas Business Organizations Code, pertaining to the most recent dividend declaration of the Trust on its Common Shares.

“**Junior Shares**” shall have the meaning set forth in paragraph 2.

“**Merger Agreement**” shall mean that certain Agreement and Plan of Merger, dated as of July 8, 2013, by and among CIM Urban REIT, LLC, CIM Merger Sub, LLC, Trust, and Southfork Merger Sub, LLC, as the same may be amended or otherwise modified (including pursuant to that certain Consent to Assignment and Limited Waiver to Agreement and Plan of Merger dated as of November 20, 2013).

“**Preferred Shares**” shall mean shares of beneficial interest of the Trust designated as or otherwise on a parity with the Class A Preferred Shares as to distributions and rights upon voluntary or involuntary liquidation, winding up or dissolution of the Trust as may be issued and outstanding from time to time

“**Trading Day**” shall mean any day on which the securities in question are traded on the NASDAQ Global Market, or if such securities are not listed or admitted for trading on the NASDAQ Global Market, on the principal national securities exchange on which such securities are listed or admitted.

“**Transfer Agent**” shall mean American Stock Transfer & Trust Company, LLC, or such other agent or agents of the Trust as may be designated by the Trust Managers or their designee as the transfer agent for the Class A Preferred Shares.

All other capitalized terms used but not defined herein shall have the meanings ascribed to them in the Declaration.

Class A Preferred Shares

1. **Number and Designation.** A class of Preferred Shares, consisting of 65,028,571 Preferred Shares designated as Class A Convertible Cumulative Preferred Shares, \$.01 par value per share (liquidation preference \$17.50 per share) (the “**Class A Preferred Shares**”), is hereby established.

2. **Ranking.** In respect of rights to receive distributions and to participate in distributions or payments in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Trust, the Class A Preferred Shares shall rank *pari passu* with any other Preferred Shares of the Trust, and will rank senior to the Common Shares and any other class or series of shares of beneficial interest of the Trust ranking, as to distributions and upon liquidation, junior (collectively, the “**Junior Shares**”) to the Preferred Shares.

3. **Distributions.** The holders of the then outstanding Class A Preferred Shares shall be entitled to receive, when and as authorized by the Trust Managers and declared by the Trust out of any funds legally available therefor, cumulative distributions at the rate of 2% of \$35.00 per Class A Preferred Share (as equitably adjusted to reflect any stock split, subdivision, combination or similar event) per share per year (the “**Class A Preferred Amount**”). Distributions paid on the Class A Preferred Shares in an amount less than the total amount of such distributions at the time accrued and payable on such shares shall be allocated pro rata on a per share basis among all such shares at the time outstanding. Unless the full Class A Preferred Amount shall have been or contemporaneously is declared and paid or declared and a sum sufficient for the payment thereof is set apart for payment, no dividends or distributions shall be declared or paid or set aside for payment nor shall any other dividend or distribution be declared or made upon the Common Shares or any Junior Shares (except for any dividends or distributions declared prior to the date hereof).

Except as provided in this Statement, the Class A Preferred Shares shall not be entitled to participate in the earnings or assets of the Trust.

4. Liquidation Rights.

(a) Upon the voluntary or involuntary dissolution, liquidation or winding up of the Trust, the holders of the Class A Preferred Shares then outstanding shall be entitled to receive and to be paid out of the assets of the Trust available for distribution to its shareholders, before any payment or distribution shall be made on any Junior Shares, the amount of \$17.50 (as equitably adjusted to reflect any stock split, subdivision, combination or similar event) per share, plus accrued and unpaid distributions thereon.

(b) After the payment to the holders of the Class A Preferred Shares of the full preferential amounts provided for in paragraph 4(a), the holders of the Class A Preferred Shares will share, ratably with the Common Shares, in any distribution(s) of the remaining assets of the Trust; provided, that, for such purposes, each Class A Preferred Share shall be considered three and one-half (3.5) Common Shares, and each Class A Preferred Share shall receive a distribution pursuant to this paragraph 4(b) that is three and one half (3.5) times the distribution paid to each Common Share (such 3.5 amount shall be equitably adjusted to reflect any stock split, subdivision, combination or similar event).

(c) If, upon any voluntary or involuntary dissolution, liquidation or winding up of the Trust, the amounts payable with respect to the preference value of the Class A Preferred Shares and any other shares of beneficial interest of the Trust ranking as to any such distribution on parity with the Class A Preferred Shares are not paid in full, the holders of the Class A Preferred Shares and of such other shares will share ratably in any such distribution of assets of the Trust in proportion to the full respective preference amounts to which they are entitled.

(d) Neither the sale of all or substantially all of the property or business of the Trust, nor the merger or consolidation of the Trust into or with any other entity or the merger or consolidation of any other entity into or with the Trust, shall be deemed to be a dissolution, liquidation or winding up, voluntary or involuntary, for purposes of this paragraph 4.

5. **Conversion.** On the Conversion Date, the Class A Preferred Shares shall automatically convert into Common Shares as follows:

(a) For the purposes hereof, the “**Conversion Date**” shall mean the first Business Day on which, pursuant to the Declaration, there are sufficient authorized but unissued shares to convert all of the Class A Preferred Shares into Common Shares, pursuant to the terms hereof.

(b) On the Conversion Date, each Class A Preferred Share shall automatically convert into seven (7) fully paid and non-assessable Common Shares (as equitably adjusted to reflect any stock split, subdivision, combination or similar event). Each holder of each Class A Preferred Share shall surrender the certificate representing such share, duly endorsed or assigned to the Trust or in blank, at the office of the Transfer Agent. Unless the shares issuable on conversion are to be issued in the same name as the name in which such Class A Preferred Share is registered, each share surrendered for conversion shall be accompanied by instruments of transfer, in form satisfactory to the Trust, duly executed by the holder

or such holder's duly authorized attorney and an amount sufficient to pay any transfer or similar tax (or evidence reasonably satisfactory to the Trust demonstrating that such taxes have been paid). As promptly as practicable after the surrender of certificates representing Class A Preferred Shares as aforesaid, the Trust shall issue and shall deliver at such office to such holder, or on his or her written order, a certificate or certificates for the number of full Common Shares issuable upon the conversion of such shares in accordance with the provisions of this paragraph 5. Upon conversion, holders of Class A Preferred Shares shall be entitled to receive a final distribution, per Class A Preferred Share, equal to the Class A Preferred Amount which had accrued up to the most recent Dividend Date and which remains unpaid as of the Conversion Date; provided, however, that if the Conversion Date occurs on or before the Conversion Deadline, the Class A Preferred Amount for the purposes of this paragraph 5(b) shall be calculated at the rate of 3.5% of \$35.00 per Class A Preferred Share (as equitably adjusted to reflect any stock split, subdivision, combination or similar event) per share per year. For the avoidance of doubt, (i) the payment(s) described in this paragraph 5(b) shall be considered paid prior to the conversion of the Class A Preferred Shares into Common Shares, and (ii) if the Conversion Date occurs on the same date as a Dividend Date, then (A) the Class A Preferred Amount shall accrue through the Dividend Date and the final distribution shall be paid in accordance therewith, and (B) the Common Shares resulting from the conversion of Class A Common Shares shall not be deemed held or owned on the Dividend Date.

(c) The Trust covenants that any Common Shares issued upon conversion of the Class A Preferred Shares shall be validly issued, fully paid and non-assessable. The Trust shall list the Common Shares required to be delivered upon conversion of the Class A Preferred Shares, prior to such delivery, upon each national securities exchange, if any, upon which the outstanding Common Shares are listed at the time of such delivery.

(d) The Trust will pay any and all documentary stamp or similar issue or transfer taxes payable in respect of the issue or delivery of Common Shares or other securities or property on conversion of the Class A Preferred Shares pursuant hereto; provided, however, that the Trust shall not be required to pay any tax that may be payable in respect of any transfer involved in the issue or delivery of Common Shares or other securities or property in a name other than that of title holder of the Class A Preferred Shares to be converted, and no such issue or delivery shall be made unless and until the person requesting such issue or delivery has paid to the Trust the amount of any such tax or established, to the reasonable satisfaction of the Trust, that such tax has been paid.

(e) Prior to the delivery of any securities that the Trust shall be obligated to deliver upon conversion of the Class A Preferred Shares, the Trust shall endeavor to comply with all federal and state laws and regulations thereunder requiring the registration of such securities with, or any approval of or consent to the delivery thereof by any governmental authority.

6. Voting.

(a) Except as otherwise provided herein, the holders of the Class A Preferred Shares shall be entitled to vote at any meeting of the shareholders for election of Trust Managers, for any other purposes and otherwise to participate in any action taken by the Trust or the shareholders thereof, and to receive notice (except for such notice as required by law) of any meeting of shareholders.

(b) In any matter in which the Class A Preferred Shares are entitled to vote, including any action by written consent, each Class A Preferred Share shall be entitled to seven (7) votes, each of which seven (7) votes may be directed separately by the holder thereof (or by any proxy or proxies of such holder). With respect to each Class A Preferred Share, the holder thereof may designate up to seven (7) proxies, with each such proxy having the right to vote a whole number of votes (totaling seven (7) votes per Class A Preferred Share). The number of proxies and votes set forth in this paragraph shall be equitably adjusted to reflect any stock split, subdivision, combination or similar event.

(c) So long as any Class A Preferred Shares remain outstanding, the Trust will not (whether by merger, consolidation or otherwise), without the affirmative vote or consent of the holders of at least two-thirds of the Class A Preferred Shares outstanding at the time, given in person or by proxy, either in writing or at a meeting (such class voting separately as a class), (i) authorize or create, or increase the authorized or issued amount of, any class or series of shares of beneficial interest ranking on a parity with or senior to the Class A Preferred Shares with respect to the payment of distributions or the distribution of assets upon liquidation, dissolution or winding up or reclassify any authorized shares of beneficial interest of the Trust into such shares, or create, authorize or issue any obligation or security convertible into or evidencing the right to purchase any such shares; (ii) except for the amendment to the Declaration to increase the number of authorized Common Shares as contemplated in Section 8.18(a) of the Merger Agreement, amend, alter or repeal the provisions of the Declaration or the terms of the Class A Preferred Shares so as to affect any right, preference, privilege or voting power of the Class A Preferred Shares or the holders thereof; (iii) issue, combine or subdivide any shares of beneficial interest in the Trust (except upon exercise of stock options outstanding on the date hereof for the purchase of Common Shares) or (iv) issue any rights, options, warrants or other convertible securities evidencing the right to purchase shares of beneficial interest of the Trust.

(d) The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, there are no outstanding Class A Preferred Shares.

7. **Redemption.** The Class A Preferred Shares are not redeemable by any Person.

8. **Restrictions on Transfer.** The Class A Preferred Shares shall be subject to the restrictions on transfer and ownership of shares set forth in Article Twenty-One of the Declaration.

9. **Amendment.** The foregoing preferences, conversions, rights, voting powers, restrictions, limitations as to dividends, qualifications, terms and conditions of redemption, and all other terms regarding the Class A Preferred Shares may be amended with the affirmative vote of (i) the holders of at least two-thirds of the Class A Preferred Shares outstanding at the time and (ii) a majority of the independent trust managers of the Trust; provided, that if any such amendment would have an adverse financial effect (as described below) greater than \$250,000 in the aggregate or a non-financial material adverse effect on the holders of the Common Shares, then such amendment must also receive the approval of the holders of at least a majority of the Common Shares voting on such amendment (not including any votes cast by CIM Urban REIT, LLC and its affiliates or the holders of the Class A Preferred Shares). In determining whether there would be an adverse financial effect in the aggregate or a non-financial material adverse effect to the holders of the Common Shares under this Section 9, the terms and provisions of the proposed amendment shall be compared to the terms and provisions of this Statement and the Merger Agreement assuming for purposes of such comparison that any and all of the terms and provisions of this Statement, as adopted by the Trust Managers, and the Merger Agreement, as executed by the parties thereto, are given full force and effect.

The Class A Preferred Shares have been classified by the Trust Managers as authorized by the Declaration.

IN WITNESS WHEREOF, the Trust has caused this Statement to be duly executed on its behalf on the 11th day of March, 2014.

PMC Commercial Trust

By: /s/ Jan F. Salit

Jan F. Salit, Chief Executive Officer

STATE OF TEXAS

COUNTY OF DALLAS

BEFORE ME, the undersigned Notary Public, duly commissioned and qualified within and for the State and County aforesaid, personally came and appeared Jan F. Salit, in his capacity as President of PMC Commercial Trust, and acknowledged to me that he executed the above and foregoing instrument on behalf of the said PMC Commercial Trust.

This instrument was acknowledged before me on the 11th day of March, 2014.

Notary Public in and for the State of Texas

My commission expires: _____

REGISTRATION RIGHTS AND LOCKUP AGREEMENT

BY AND AMONG

PMC COMMERCIAL TRUST

AND

URBAN PARTNERS II, LLC

DATED AS OF MARCH 11, 2014

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REGISTRATION RIGHTS AND LOCKUP AGREEMENT

THIS REGISTRATION RIGHTS AND LOCKUP AGREEMENT (this "Agreement") is made and entered into as of March 11, 2014 by and between PMC Commercial Trust, a Texas real estate investment trust and Urban Partners II, LLC, a Delaware limited liability company ("Urban II").

WHEREAS, pursuant to the Agreement and Plan of Merger, dated as of July 8, 2013 (as the same may be amended, modified and supplemented from time to time prior to the date hereof, including the Consent to Assignment and Limited Waiver to Agreement and Plan of Merger dated as of November 20, 2013, the "Merger Agreement"), by and among the Company, Southfork Merger Sub, LLC, a Delaware limited liability company and a direct wholly owned subsidiary of the Company ("PMC Merger Sub"), CIM Urban REIT, LLC, a Delaware limited liability company ("CIM"), and CIM Merger Sub, LLC, a Delaware limited liability company ("CIM Merger Sub"), CIM Merger Sub will merge with and into PMC Merger Sub (the "Merger") in accordance with applicable state law and upon the terms and conditions set forth in the Merger Agreement;

WHEREAS, in connection with the Merger, Urban II shall be entitled to receive (i) 22,000,003 common shares of beneficial interest, par value \$0.01 per share, of the Company (the "Common Shares"), and (ii) 65,028,571 convertible preferred shares of beneficial interest, par value \$0.01 per share, of the Company (the "Preferred Shares"); and

WHEREAS, the parties wish to provide for the registration rights, lock up restrictions, and other rights and obligations set forth herein.

NOW, THEREFORE, in consideration of the foregoing, the mutual promises set forth herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Registration Rights.

1.1. Definitions.

For purposes of this Agreement:

(a) "Disclosure Package" means (i) the preliminary prospectus, (ii) each Free Writing Prospectus and (iii) all other information that is deemed, under Rule 159 under the Securities Act, to have been conveyed to purchasers of securities at the time of sale (including, without limitation, a contract of sale).

(b) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(c) "Form S-3" means such form under the Securities Act as in effect on the date hereof or any successor form under the Securities Act subsequently adopted by the SEC which permits inclusion or incorporation of substantial information by reference to other documents filed by the Company with the SEC.

(d) "Free Writing Prospectus" means any "free writing prospectus," as defined in Rule 405 of the Securities Act.

(e) "Hedging Counterparty" means a broker-dealer registered under Section 15(b) of the Exchange Act or an affiliate thereof or any other financial institution or third party.

(f) "Hedging Transaction" means any transaction involving a security linked to the Registrable Class Securities or any security that would be deemed to be a "derivative security" (as defined in Rule 16a-1(c) under the Exchange Act) with respect to the Registrable Class Securities or any transaction (even if not a security) which would (were it a security) be considered such a derivative security, or which transfers some or all of the economic risk of ownership of the Registrable Class Securities, including, without limitation, any forward contract, equity swap, put or call, put or call equivalent position, collar, non-recourse loan, sale of exchangeable security or similar transaction. For the avoidance of doubt, the following transactions shall be deemed to be Hedging Transactions:

(i) transactions by a Holder in which a Hedging Counterparty engages in short sales of Registrable Class Securities pursuant to a prospectus and may use Registrable Securities to close out its short position;

(ii) transactions pursuant to which a Holder sells short Registrable Class Securities pursuant to a prospectus and delivers Registrable Securities to close out its short position; and

(iii) transactions by a Holder in which the Holder delivers, in a transaction exempt from registration under the Securities Act, Registrable Securities to the Hedging Counterparty who will then publicly resell or otherwise transfer such Registrable Securities pursuant to a prospectus or an exemption from registration under the Securities Act.

(g) "Holder" means any person owning or having the right to acquire Registrable Securities or any assignee thereof in accordance with Section 1.11 hereof.

(h) “Law” means any statute, law, ordinance, rule or regulation of any governmental entity.

(i) “Merger Issuance Shares” means (i) the Common Shares and Preferred Shares issued pursuant to the Merger Agreement; (ii) the Common Shares issued upon conversion of the Preferred Shares issued pursuant to the Merger Agreement; and (iii) any shares of capital stock issued as (or issuable upon the conversion or exercise of any warrant, right or other security that is issued as) a dividend or other distribution with respect to, or upon exercise or in exchange for or in replacement of, the shares referenced in (i) or (ii) above.

(j) “Public Sale” means any sale of Registrable Securities to the public pursuant to a public offering registered under the Securities Act or to the public through a broker or market-maker pursuant to the provisions of Rule 144 (or any successor rule) adopted under the Securities Act or any other public offering not required to be registered under the Securities Act.

(k) “Register,” “registered” and “registration” refer to a registration effected by preparing and filing a registration statement or similar document in compliance with the Securities Act, and the declaration or ordering of effectiveness of such registration statement or document.

(l) “Registrable Class Securities” means securities of the Company that are of the same class and series as the Registrable Securities.

(m) The number of shares of “Registrable Common Securities then outstanding” shall be determined by the number of Common Shares outstanding which are, and the number of Common Shares issuable pursuant to then exercisable or convertible securities which are, Registrable Securities.

(n) “Registrable Securities” means: (i) the Common Shares issued to Urban II pursuant to the Merger Agreement; (ii) any Common Shares acquired on or after the date hereof by any of the Holders, including any and all Common Shares acquired upon conversion of the Preferred Shares issued to Urban II pursuant to the Merger Agreement; and (iii) any shares of capital stock issued as (or issuable upon the conversion or exercise of any warrant, right or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of the shares referenced in (i) or (ii) above; provided, that Registrable Securities shall not include (x) the Preferred Shares issued to Urban II pursuant to the Merger Agreement; or (y) any Common Shares previously (A) sold in a Public Sale, or (B) sold in a transaction in which the transferor’s rights hereunder are not assigned in accordance with Section 1.11 hereof.

(o) The term “SEC” means the Securities and Exchange Commission.

(p) “Securities Act” means the Securities Act of 1933, as amended.

1.2. Request for Registration.

(a) If the Company shall receive a written request from the Holders of at least a majority of the Registrable Common Securities then outstanding (the “Initiating Holders”) that the Company file a registration statement under the Securities Act covering the registration of at least 5% of the Registrable Common Securities then outstanding, or a lesser percent if the anticipated aggregate offering price, net of underwriting discounts and commissions, would exceed \$5.0 million, then the Company shall:

(i) within ten (10) days of the receipt thereof, give written notice of such request to all Holders; and

(ii) use commercially reasonable efforts to effect promptly the registration under the Securities Act of all Registrable Securities which the Holders request to be registered, subject to the limitations of subsection 1.2(b), in a written request received by the Company within fifteen (15) days of the making of the notice pursuant to Section 1.2(a)(i).

(b) If the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to subsection 1.2(a) and the Company shall include such information in the written notice referred to in subsection 1.2(a). The underwriter or underwriters will be selected by the Company, subject to the approval of a majority in interest of the Initiating Holders. In such event, the right of any Holder to include Registrable Securities in such registration shall be conditioned upon such Holder’s participation in such underwriting and the inclusion of such Holder’s Registrable Securities in the underwriting (unless otherwise mutually agreed by a majority in interest of the Initiating Holders and such Holder) to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in subsection 1.5(i)) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting. Notwithstanding any other provision of this Section 1.2, if the managing underwriter advises the Company and the Initiating Holders in writing that marketing factors require a limitation of the number of shares to be underwritten, then the Company shall so advise all Holders of Registrable Securities which would otherwise be underwritten pursuant hereto, and the number of shares of Registrable Securities that may be included in the underwriting shall be allocated among all Holders thereof, including the Initiating Holders, in proportion (as nearly as practicable) to the amount of Registrable Securities of the Company owned by each Holder at the time of the filing of the registration statement; provided, however, that the number of shares of Registrable Securities held by Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting. Registrable Securities excluded or withdrawn from such underwriting shall be withdrawn from the registration.

(c) Notwithstanding the foregoing, if the Company shall furnish to Holders requesting a registration statement pursuant to this Section 1.2, a certificate signed by the Company's chief executive officer or the chairman of the board of trust managers of the Company (the "Board") stating that in the good faith judgment of the Board, as evidenced by a resolution by the Board, it would be seriously detrimental to the Company and its stockholders for such registration statement to be filed and it is therefore essential to defer the filing of such registration statement, the Company shall have the right to defer taking action with respect to such filing for a period of not more than sixty (60) days after receipt of the request of the Initiating Holders; provided, that the Company may not utilize this right more than once in any twelve month period; provided further, that this right is cumulative to the right under Section 1.4(b)(iii) such that the Company may only defer the filing of a registration statement under Section 1.2(c) or Section 1.4(b)(iii) once in any twelve-month period.

(d) In addition, the Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to this Section 1.2:

(i) After the Company has effected eight (8) registrations pursuant to this Section 1.2 and such registration statements have been declared or ordered effective and have remained effective for a period of at least 180 days; provided, that if such request pursuant to this Section 1.2 is subsequently withdrawn by the requester in writing, it shall not be counted against the limitation of requests set forth in this Section 1.2(d)(i);

(ii) If the Company has effected a registration pursuant to this Section 1.2 within the preceding three (3) months, and such registration has been declared or ordered effective; or

(iii) If the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Section 1.4 below.

1.3. Company Registration.

(a) If (but without any obligation to do so) the Company proposes to register any of its capital stock under the Securities Act for its own account or the account of any of its stockholders with registration rights (other than in connection with a registration effected solely to implement an employee benefit plan or arrangement or a business combination transaction or any other similar transaction for which a registration statement on Form S-4 under the Securities Act or any comparable successor form is applicable), the Company will promptly give written notice thereof to the Holders of Registrable Securities at least twenty (20) days prior to the filing of such registration statement, or such lesser time that is reasonable taking into account the Company's contractual obligation to file such registration statement. Upon the written request of each Holder given within fifteen (15) days after the giving of such notice by the Company, the Company shall, subject to the provisions of this Section 1.3, cause to be registered under the Securities Act in such registration statement all of the Registrable Securities that each such Holder has requested to be registered.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock, the Company shall not be required under this Section 1.3 to include any of the Holders' securities in such underwriting unless they accept the terms of the underwriting as agreed upon between the Company and the underwriters selected by it, and then only in such quantity as the underwriters determine in their sole discretion will not jeopardize the success of the offering by the Company. Regardless of any other provision of this Section 1.3, if the underwriter advises the Company that marketing factors require a reduction in the number of shares to be underwritten, then the number of shares of Registrable Securities that may be included in the underwriting shall be allocated first, to the Company and the Person or Persons requesting such registration (if other than the Company) shall be entitled to participate in accordance with the relative priorities, if any, as shall exist among them; and then second, all other holders of securities having the right to include such securities in such registration (including the Holders of the Registrable Securities) shall be entitled to participate pro rata based on the number of shares requested to be sold by such Holders. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 1.3 prior to the effectiveness of such registration whether or not any Holder has elected to include securities in such registration. The registration expenses of such withdrawn registration shall be borne by the Company in accordance with Section 1.8 hereof.

1.4. Form S-3 Registration.

Notwithstanding anything in Section 1.2 or Section 1.3 to the contrary, in case the Company shall receive from any Holders of Registrable Common Securities then outstanding or Registrable Preferred Securities then outstanding, a written request or requests that the Company effect a registration on Form S-3 and any related qualification or compliance with respect to all or a part of the Registrable Securities owned by such Holder or Holders, and the Company is then eligible to use Form S-3 for the resale of Registrable Securities, the Company will:

(a) promptly give written notice of the proposed registration, and any related qualification or compliance, to all other Holders; and

(b) promptly effect such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Holder's or Holders' Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any other Holder or Holders joining in such request as are specified in a written request given within fifteen (15) days after receipt of such written notice from the Company; provided, that the Company shall not be obligated to effect any such registration, qualification or compliance, pursuant to this Section 1.4:

(i) if Form S-3 is not available for such offering by the Holders;

(ii) if the Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities at an aggregate price to the public (net of any underwriters' discounts or commissions) of less than \$2.5 million;

(iii) if the Company shall furnish to the Holders a certificate signed by the Company's chief executive officer or chairman of the Board stating that in the good faith judgment of the Board as evidenced by a resolution by the Board, it would be seriously detrimental to the Company and its stockholders for such Form S-3 registration to be effected at such time, in which event the Company shall have the right to defer the filing of the Form S-3 registration statement for a period of not more than sixty (60) days after receipt of the request of the Holder or Holders under this Section 1.4; provided, that the Company shall not utilize this right more than once in any twelve-month period; provided further, that this right is cumulative to the right under Section 1.2(c) such that the Company may only defer the filing of a registration statement under Section 1.2(c) or Section 1.4(b)(iii) once in any twelve-month period;

(iv) if the Company has, within the three (3) month period preceding the date of such request, already effected one (1) registration on Form S-3 for the Holders pursuant to Section 1.3, provided, that any such registration shall be deemed to have been "effected" if the registration statement relating thereto (A) has become or been declared or ordered effective under the Securities Act, and any of the Registrable Securities of the Initiating Holder(s) included in such registration have actually been sold thereunder and (B) has remained effective for a period of at least 180 days; or

(v) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance.

(c) Subject to the foregoing, the Company shall file a registration statement covering the Registrable Securities and other securities so requested to be registered promptly after receipt of the request or requests of the Holders. Registrations effected pursuant to this Section 1.4 shall not be counted as requests for registration effected pursuant to Section 1.2 or Section 1.3, respectively.

(d) If the Holders intend to distribute the Registrable Securities covered by their request under this Section 1.4 by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to this Section 1.4 and the Company shall include such information in the written notice referred to in subsection 1.4(a). The underwriter or underwriters will be selected by the Company, subject to the approval of a majority in interest of the Holders participating in such registration. In such event, the right of any Holder to include Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting (unless otherwise mutually agreed by a majority in interest of the Holders participating in the registration and the Holder) to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in subsection 1.5(h)) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting. Notwithstanding any other provision of this Section 1.4, if the managing underwriter advises the Company and the Holders participating in such underwriting in writing that marketing factors require a limitation of the number of shares to be underwritten, then the Company shall so advise all Holders of Registrable Securities which would otherwise be underwritten pursuant hereto, and the number of shares of Registrable Securities that may be included in the underwriting shall be allocated among all Holders thereof, in proportion (as nearly as practicable) to the amount of Registrable Securities of the Company owned by each Holder at the time of the filing of the registration statement; provided, however, that the number of shares of Registrable Securities held by Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting. Registrable Securities excluded or withdrawn from such underwriting shall be withdrawn from the registration.

1.5. Obligations of the Company.

Whenever required under this Section 1 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) Prepare and file with the SEC a registration statement with respect to such Registrable Securities and use commercially reasonable efforts to cause such registration statement to become effective, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for 180 days or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, that, in the case of any registration of Registrable Securities on Form S-3 which are intended to be offered on a continuous or delayed basis, such 180-day period shall be extended, if necessary, to keep the registration statement continuously effective, supplemented and amended to the extent necessary to ensure that it is available

for sales of such Registrable Securities, and to ensure that it conforms with the requirements of this Agreement, the Securities Act and the policies, rules and regulations of the SEC as announced from time to time, until the earlier of when (i) the Holders have sold all of such Registrable Securities and (ii) the Holders may sell all of such Registrable Securities on a single day pursuant to Rule 144 promulgated under the Securities Act as determined by the counsel to the Company pursuant to a written opinion letter to such effect, addressed and acceptable to the Company's transfer agent and the affected Holders.

(b) Prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement; provided, that before filing a registration statement, or any amendments or supplements thereto, the Company will furnish to counsel selected by the Holders of the Registrable Securities covered by such registration statement to represent such Holders, copies of all documents proposed to be filed, which documents (other than the documents incorporated by reference therein) will be subject to the review of such counsel.

(c) Furnish to the Holders and any Hedging Counterparty, if any, such numbers of copies of such registration statement, the prospectus included in such registration statement (including each preliminary prospectus, summary prospectus and Free Writing Prospectus), and of each amendment and supplement thereto (in each case including all exhibits filed therewith, including any documents incorporated by reference), in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the public sale or other disposition of Registrable Securities owned by such Holder or Hedging Counterparty.

(d) Register and qualify the securities covered by such registration statement under such other securities or blue sky laws of such jurisdictions as shall be reasonably requested by the Holders and do any and all other acts and things which may be reasonably necessary or advisable to enable such Holders to consummate the disposition in such jurisdictions of the Registrable Securities owned by such Holder; provided, that the Company shall not be required in connection therewith or as a condition thereto (i) to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, (ii) subject itself to taxation in any jurisdiction or (iii) in the case of a registration pursuant to Section 1.3, register or qualify such Holder's Registrable Securities in any jurisdiction where shares to be sold by the Company or any other person initiating such registration are not to be registered or qualified.

(e) Notify each Holder of Registrable Securities covered by such registration statement and any Hedging Counterparty, if applicable, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the Company's becoming aware that the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, and at the request of any such Holder or Hedging Counterparty, prepare and furnish to such Holder and Hedging Counterparty a reasonable number of copies of an amended or supplemental prospectus as may be necessary so that, as thereafter delivered to the purchasers of such Registrable Securities, such amended or supplemental prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing.

(f) Cause all such Registrable Securities registered pursuant to this Agreement to be listed on any securities exchange on which any shares of the Common Shares are then listed.

(g) Provide a transfer agent and registrar for all Registrable Securities registered pursuant hereunder and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration.

(h) Enter into and perform its obligations under such customary agreements (including an underwriting agreement in customary form), which may include indemnification provisions in favor of underwriters and other persons in addition to, or in substitution for the provisions of Section 1.9 hereof, and take such other actions as sellers of a majority of shares of such Registrable Securities, a Hedging Counterparty, if any, or the underwriters, if any, reasonably request in order to expedite or facilitate the disposition of such Registrable Securities or any Registrable Class Securities in connection with any Hedging Transaction.

(i) Make available for inspection by any seller of such Registrable Securities covered by such registration statement, by any underwriter participating in any disposition to be effected pursuant to such registration statement, by any Hedging Counterparty, and by any attorney, accountant or other agent retained by any such seller, any such underwriter, or any such Hedging Counterparty all pertinent financial and other records, pertinent corporate documents and properties of the Company, and cause all of the Company's officers, directors and employees to supply all information reasonably requested by any such seller, underwriter, Hedging Counterparty, attorney, accountant or agent in connection with such registration statement.

(j) Obtain for delivery to the Holders of Registrable Securities being registered and to the underwriter or agent, and, in connection with a Hedging Transaction, to any Hedging Counterparty, an opinion or opinions from counsel for the Company in customary form and in form, substance and scope reasonably satisfactory to such Holders, underwriters or agents and their counsel.

(k) Use commercially reasonable efforts to prevent the issuance of any stop order suspending the effectiveness of the registration statement or of any order preventing or suspending the use of any preliminary prospectus relating to such registration statement, and, if any such order is issued, to obtain the withdrawal of any such order at the earliest possible moment.

(l) Respond promptly to any comments received from the SEC and request acceleration of effectiveness promptly after it learns that the SEC will not review the registration statement or after it has satisfied comments received from the SEC.

(m) Promptly notify the Holders of Registrable Securities to be sold and confirm such notice in writing, (i) when a prospectus or any prospectus supplement or post-effective amendment has been filed, and, with respect to a registration statement or any post-effective amendment, when the same has become effective, (ii) of the receipt of any comments from the SEC, (iii) of any request by the SEC or any other federal or state governmental authority for amendments or supplements to a registration statement or related prospectus, (iv) of the issuance by the SEC or any other federal or state governmental authority of any stop order suspending the effectiveness of a registration statement, or of any order preventing or suspending the use of any preliminary prospectus relating to such registration statement, or the initiation of any proceedings for such purpose(s), (v) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, (vi) of the discovery of any event that makes any statement made in such registration statement or related prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires the making of any changes in a registration statement, prospectus or any such document so that, in the case of the registration statement, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, in light of the circumstances under which they were made, and, in the case of the prospectus, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and (vii) of the Company's reasonable determination that a post-effective amendment to a registration statement would be appropriate. In the event a registration statement is interfered with by any event of the kind described in clauses (iv) through (vii) of the first sentence of this Section 1.5(m) for more than twenty (20) days, such registration shall not be deemed "effected" for purposes of Section 1.2(d) or Section 1.4(b).

(n) If requested by the managing underwriter or agent or any Holder of Registrable Securities covered by the registration statement, promptly incorporate in a prospectus supplement or post-effective amendment such information as the managing underwriter or agent or such Holder reasonably requests to be included therein, including, without limitation, with respect to the number of Registrable Securities being sold by such Holder to such underwriter or agent, the purchase price being paid therefor by such underwriter or agent and with respect to any other terms of the underwritten offering of the Registrable Securities to be sold in such offering; and make all required filings of such prospectus supplement or post-effective amendment as soon as practicable after being notified of the matters incorporated in such prospectus supplement or post-effective amendment.

(o) Cooperate with the Holders of Registrable Securities covered by the registration statement and the managing underwriter or agent, if any, to facilitate the timely preparation and delivery of certificates (not bearing any restrictive legends) representing securities to be sold under the registration statement, and enable such securities to be in such denominations and registered in such names as the managing underwriter or agent, if any, or such Holders may request.

(p) Cooperate with each seller of Registrable Securities, any Hedging Counterparty, and each underwriter or agent participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with the Financial Industry Regulatory Authority.

(q) With respect to each Free Writing Prospectus or other materials to be included in the Disclosure Package, ensure that no Registrable Securities be sold "by means of" (as defined in Rule 159A(b) under the Securities Act) such Free Writing Prospectus or other materials without the prior written consent of the Holders of the Registrable Securities covered by such registration statement, which Free Writing Prospectuses or other materials shall be subject to the review of counsel to such Holders.

(r) Make all required filings of all Free Writing Prospectuses with the SEC.

Each Holder shall be deemed to have agreed by acquisition of the Registrable Securities that, upon receipt of any notice from the Company of the occurrence of any event of the kind described in clauses (iv) through (vii) of subsection (m) of this Section 1.5, such Holder will forthwith discontinue its disposition of the Registrable Securities pursuant to the Registration Statement relating thereto until Holder's receipt of the copies of the supplemented or amended prospectus contemplated by subsection (e) of this Section 1.5 and, if so directed by the Company, will deliver to the Company all copies, other than permanent file copies, then in Holder's possession of the prospectus relating to the Registrable Securities current at the time of receipt of such notice.

1.6. Registration In Connection With Hedging Transactions.

(a) The Company acknowledges that from time to time a Holder may seek to enter into one or more Hedging Transactions with a Hedging Counterparty. Notwithstanding anything to the contrary provided herein, the Company agrees that, in connection with any proposed Hedging Transaction, if, in the reasonable judgment of counsel to the Holder (after good faith consultation with counsel

to the Company), it is necessary or desirable to register under the Securities Act such Hedging Transaction or sales or transfers (whether short or long) of Registrable Class Securities in connection therewith, then the Company shall use its commercially reasonable efforts to take such actions (which may include among other things, the filing of a post-effective amendment to any shelf registration statement to include additional or changed information that is material or is otherwise required to be disclosed, including, without limitation, a description of such Hedging Transaction, the name of the Hedging Counterparty, identification of the Hedging Counterparty or its affiliates as underwriters or potential underwriters, if applicable, or any change to the plan of distribution) as may reasonably be required to register such Hedging Transactions or sales or transfers of Registrable Class Securities in connection therewith under the Securities Act in a manner consistent with the rights and obligations of the Company hereunder with respect to the registration of Registrable Securities.

(b) The Company agrees to include in each prospectus supplement filed in connection with any proposed Hedging Transaction language mutually agreed upon by the Company, the Holder and the Hedging Counterparty describing such Hedging Transaction.

(c) Any information regarding the Hedging Transaction included in a registration statement or prospectus pursuant to this Section 1.6 shall be deemed to be information provided by the Holder selling Registrable Securities pursuant to such registration statement or prospectus for purposes of Section 1.5 of this Agreement.

(d) If in connection with a Hedging Transaction a Hedging Counterparty or any affiliate thereof is (or may be considered) an underwriter or selling securityholder, then it shall be required to provide customary indemnities to the Company regarding itself, the plan of distribution and like matters.

1.7. Furnish Information; Limitation of Obligations.

It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Agreement with respect to the Registrable Securities of any selling Holder as to which a registration is being effected to furnish, that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as shall be reasonably required to effect the registration of such Holder's Registrable Securities.

1.8. Expenses of Registrations.

All expenses other than underwriting discounts and commissions incurred in connection with registrations pursuant to this Section 1, including without limitation all registration, filing and qualification fees, printers' and accounting fees and reasonable fees and disbursements of counsel for the Company and one counsel for the participating Holders, shall be borne by the Company; provided, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 1.2 or Section 1.4 as applicable, if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all participating Holders shall bear all such expenses incurred), unless, in the case of a registration requested under Section 1.2, the Holders of a majority of the Registrable Securities agree to forfeit one demand registration pursuant to Section 1.2.

1.9. Indemnification.

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, any underwriter (as defined in the Securities Act) for such Holder, their respective affiliates and controlling persons (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, and the partners, officers, directors members, representatives, agents and employees of each Holder, and each such person (collectively, the "Holder Indemnified Parties"), against any losses, claims, damages or liabilities (joint or several) to which they may become subject under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively, a "Violation") by the Company: (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including without limitation any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, (iii) any untrue statement or alleged untrue statement of a material fact contained in the Disclosure Package or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made, or (iv) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, any state securities law or any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities law in connection with the offering covered by such registration statement; and the Company will reimburse each such Holder Indemnified Party for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, that the indemnity agreement contained in this Section 1.9(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the written consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable in any such case to any Holder Indemnified Party for any such loss, claim, damage, liability or action to the extent that it arises out of or is based upon a Violation

which occurs in reliance upon and in conformity with written information furnished by such Holder Indemnified Party under an instrument duly executed by any such Holder Indemnified Party expressly for use in connection with such registration by such Holder; provided further, that the foregoing indemnity agreement with respect to any preliminary prospectus shall not inure to the benefit of any Holder Indemnified Party from whom the person asserting any such losses, claims, damages or liabilities purchased shares in the offering, if a copy of the prospectus (as then amended or supplemented if the Company shall have furnished any amendments or supplements thereto) was not sent or given by or on behalf of such Holder Indemnified Party to such person, if required by law so to have been delivered, at or prior to the written confirmation of the sale of the shares to such person, and if the prospectus (as so amended or supplemented) would have cured the defect giving rise to such loss, claim, damage or liability. For purposes of the last proviso to the immediately preceding sentence, the term "prospectus" shall not be deemed to include the documents, if any, incorporated therein by reference, and no person who participates as an underwriter in the offering or sale of Registrable Securities or any other person, if any, who controls such underwriter within the meaning of the Securities Act, shall be obligated to send or give any supplement or amendment to any document incorporated by reference in any preliminary prospectus or the final prospectus to any person other than a person to whom such underwriter had delivered such incorporated document or documents in response to a written request therefor. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such party and shall survive the transfer of such securities.

(b) To the extent permitted by law, each Holder shall, if shares held by such Holder are included in the securities as to which such registration, qualification or compliance is being effected, indemnify and hold harmless the Company, each of its directors, each of its officers who has signed the registration statement, each person, if any, who controls the Company within the meaning of the Securities Act, each underwriter and each other stockholder selling securities under such registration statement against any losses, claims, damages or liabilities (joint or several) to which any of the foregoing persons may become subject under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder under an instrument duly executed by such Holder expressly for use in connection with such registration; and each Holder shall reimburse any legal or other expenses reasonably incurred by any person intended to be indemnified pursuant to this Section 1.9(b), in connection with investigating or defending any such loss, claim, damage, liability or action if it is judicially determined that there was such violation; provided, that the indemnity agreement contained in this Section 1.9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the written consent of such Holder, which consent shall not be unreasonably withheld; provided further, that the liability of each Holder under this Section 1.9(b) shall be limited to an amount equal to the net proceeds actually received and retained by such Holder in the registered public offering out of which such liability arises, unless such liability arises out of or is based on willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 1.9 of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 1.9, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the parties; provided, that an indemnified party (together with all other indemnified parties which may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if materially prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 1.9 to the extent so prejudiced, but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 1.9.

(d) If the indemnification provided for in this Section 1.9 is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, liability, claim, damage or expense referred to therein, then the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the Violation that resulted in such loss, liability, claim, damage or expense as well as any other relevant equitable considerations; provided, that in no event shall any contribution by a Holder that is a selling party under this Section 1.9(d) exceed the net proceeds from the offering received by such Holder. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control. No indemnifying party, in the defense of any such claim or litigation, shall, except with the consent of each indemnified party, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.

(f) The obligations of the Company and Holders under this Section 1.9 shall survive the completion of any offering of Registrable Securities in a registration statement under this Section 1 and otherwise.

1.10. Rule 144 Reporting.

With a view to making available to the Holders the benefits of Rule 144 promulgated under the Securities Act and any other rule or regulation of the SEC which may permit the sale of the Registrable Securities to the public without registration or pursuant to a registration on Form S-3, the Company agrees to use commercially reasonable efforts to:

(a) make and keep public information available, as those terms are understood and defined in SEC Rule 144 or any similar or analogous rule promulgated under the Securities Act;

(b) file with the SEC in a timely manner all reports and other documents required of the Company under the Exchange Act; and

(c) so long as a Holder owns any Registrable Securities, furnish to such Holder forthwith upon written request: (i) a written statement by the Company as to its compliance with the reporting requirements of SEC Rule 144 and the Exchange Act; (ii) a copy of the most recent annual or quarterly report of the Company; and (iii) such other reports and documents as a Holder may reasonably request in availing itself of any rule or regulation of the SEC allowing it to sell any such securities without registration.

1.11. Assignment of Registration Rights.

A Holder may assign any or all of its rights hereunder (but only with all related obligations) to any person or entity to whom the Holder may transfer or assign its Common Shares or Preferred Shares; provided, that: (i) the Company is, within ten (10) days after such transfer, furnished with written notice of the name and address of such transferee or assignee and the securities with respect to which such registration rights are being assigned; and (ii) such transferee or assignee agrees in writing to be bound by and subject to the terms and conditions of this Agreement, including without limitation the terms and conditions of Section 1.13 hereof.

1.12. Limitations on Subsequent Registration Rights.

The Company shall not, without the prior written consent of the Holders of at least a majority of the Registrable Common Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that would grant to such holder or prospective holder registration rights superior to or, except with respect to piggyback or incidental registration rights, on parity with those granted under this Section 1.

1.13. Lockup.

(a) Each Holder agrees that it will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any Merger Issuance Shares in any Public Sale, enter into a transaction that would have the same effect, or enter into any Hedging Transaction or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of the Merger Issuance Shares in a Public Sale, whether any of these transactions are to be settled by delivery of Merger Issuance Shares or other securities, in cash or otherwise, or publicly disclose the intention to make any offer, sale, pledge or disposition, or enter into any Hedging Transaction or other arrangement with respect to any Merger Issuance Shares in any Public Sale during the period from the "Effective Time" (as defined in the Merger Agreement) through the one-year anniversary of the Effective Time (such period, the "Lock-Up Period"); provided, that the restrictions set forth in this Section 1.13(a) shall terminate with respect to 40,000,000 Common Shares six months following the Effective Time with the prior approval of the majority of the independent trust managers of the Board.

(b) The terms of this Section 1.13 shall not, during the Lock-Up Period, restrict any offer, sale, contract to sell, pledge, Hedging Transaction or otherwise disposition of any Merger Issuance Shares in any transaction not directly or indirectly involving a Public Sale; *provided, however*, that in each such case, the transferred Merger Issuance Shares shall be subject to all of the provisions of this Section 1.13 of this Agreement as though the undersigned Holder were still the Holder of such Merger Issuance Shares; and *provided, further*, that the transferee must execute and deliver to the Company an agreement stating that the transferee is receiving and holding such Merger Issuance Shares subject to all of the restrictions set forth in this Section 1.13.

(c) The terms of this Section 1.13 shall not prohibit or restrict: (i) any disclosure by any Holder in a Schedule 13D or 13G under the Exchange Act of (x) its beneficial ownership of any Merger Issuance Shares or (y) its general intent to dispose of any Merger Issuance Shares (which stated intent shall not include any specific plan or expectation to dispose of any Merger Issuance Shares, other than the distribution of such shares to the owners of the Holder), subject to its compliance with this Section 1.13, from time to time; or (ii) any Holder from exercising its rights under this Agreement to require the Company to file a registration statement under the Securities Act to register all or any part of the Merger Issuance Shares for resale at any time after the six month anniversary hereof.

(d) Each Holder agrees that its registration rights relating to the Registrable Securities set forth in this Agreement shall be subject to material compliance with the restrictions set forth in this Section 1.13.

1.14. Confidential Information.

Each Holder of Registrable Securities agrees that any information obtained pursuant to this Agreement which the Company identifies to be proprietary to the Company or otherwise confidential will not be disclosed without the prior written consent of the Company. Notwithstanding the foregoing, each Holder of Registrable Securities may disclose such information, on a need to know basis, to their employees, accountants or attorneys (so long as each such person to whom confidential information is disclosed agrees to keep such information confidential) or to the extent required by applicable law, rule, regulation or court order. Each Holder of Registrable Securities further acknowledges, understands and agrees that any confidential information will not be utilized in connection with purchases and/or sales of the Company's securities except in compliance with applicable state and federal antifraud statutes.

1.15. Termination of Registration Rights.

No Holder shall be entitled to exercise any right provided for in this Section 1 after such time at which all Registrable Securities held by such Holder (and any affiliate of the Holder or other person with whom such Holder must aggregate sales under Rule 144 of the Securities Act) can be sold without restriction (including volume and manner-of-sale restrictions) on a single day without registration in compliance with Rule 144 of the Securities Act (or any similar provision then in effect) and such Holder has received, upon such Holder's request, an opinion of counsel to the Company to that effect.

2. Representations and Warranties of the Company.

The Company represents and warrants to the Holders as follows:

(a) The Company is duly organized, validly existing and in good standing under the laws of the State of Texas.

(b) The Company has the requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The execution and delivery by the Company of this Agreement have been duly authorized and approved by all necessary corporate action on the part of the Company. This Agreement has been duly executed and delivered by the Company and constitutes the valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except to the extent that its enforceability may be subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar Laws affecting the enforcement of creditors' rights generally and by general equitable principles.

(c) The execution and delivery by the Company of this Agreement and the performance of its obligations hereunder and compliance with the terms hereof do not and will not violate any provision of law, any order of any court or other agency of government, the Company's declaration of trust or any provision of any indenture, agreement or other instrument to which it or any of its properties or assets is bound, and will not conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any such indenture, agreement or other instrument or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Company.

3. Miscellaneous.

3.1. Effectiveness.

This Agreement shall become effective as of the Effective Time (as defined in the Merger Agreement).

3.2. Successors and Assigns.

This Agreement will be binding upon and will inure to the benefit of the signatories hereto and their respective successors and permitted assigns (including transferees of any shares of Registrable Securities). Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement.

3.3. Governing Law.

This Agreement will be governed by and construed in accordance with the internal Laws of the State of Delaware applicable to contracts made and wholly performed within such state, without regard to any applicable conflict of laws principles.

3.4. Counterparts.

This Agreement may be executed in two or more counterparts, all of which will be considered one and the same agreement and will become effective when counterparts have been signed by each of the parties and delivered to the other parties, it being understood that each party need not sign the same counterpart.

3.5. Notices.

All notices required or permitted pursuant to this Agreement will be in writing and will be deemed to be properly given when actually received by the person entitled to receive the notice at the address set forth on Exhibit A hereto, or at such other address as a party may provide by notice to the other.

3.6. Attorneys' Fees.

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

3.7. Amendments and Waivers.

Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company (with the approval of a majority of the independent trust managers of the Board) and the holders of at least a majority of the Registrable Securities then outstanding. Any amendment or waiver effected in accordance with this paragraph shall be binding upon each holder of any Registrable Securities then outstanding, each future holder of all such Registrable Securities and the Company.

3.8. Other Agreements.

Neither the Company nor any of its subsidiaries has entered, as of the date hereof, nor shall the Company or any of its subsidiaries, on or after the date of this Agreement, enter into any agreement with respect to its securities, that would have the effect of impairing the rights granted to the Holders in this Agreement or otherwise conflicts with the provisions hereof.

3.9. Specific Performance.

The parties hereby acknowledge and agree that the failure of any party to perform its agreements and covenants hereunder, including its failure to take all actions as are necessary on its part to the consummation of the transactions contemplated hereby, will cause irreparable injury to the other parties for which damages, even if available, will not be an adequate remedy. Accordingly, each party hereby consents to the issuance of injunctive relief by any court of competent jurisdiction to compel performance of such party's obligations and to the granting by any court of the remedy of specific performance of its obligations hereunder.

3.10. Severability.

The illegality or partial illegality of any of this Agreement, or any provision hereof, will not affect the validity of the remainder of this Agreement, or any provision hereof, and the illegality or partial illegality of this Agreement will not affect the validity of this Agreement in any jurisdiction in which such determination of illegality or partial illegality has not been made, except in either case to the extent such illegality or partial illegality causes this Agreement to no longer contain all of the material provisions reasonably expected by the parties to be contained therein.

3.11. Rules of Construction.

(a) When a reference is made in this Agreement to Articles, Sections, Exhibits or Schedules, such reference will be to an Article or Section or Exhibit or Schedule to this Agreement unless otherwise indicated. Whenever the words "include," "includes" or "including" are used in this Agreement, they will be deemed to be followed by the words "without limitation." Unless the context otherwise requires, (i) "or" is disjunctive but not necessarily exclusive, (ii) words in the singular include the plural and vice versa, and (iii) the use in this Agreement of a pronoun in reference to a party hereto includes the masculine, feminine or neuter, as the context may require. This Agreement will not be interpreted or construed to require any person to take any action, or fail to take any action, that would violate any applicable Law.

(b) The parties have participated jointly in negotiating and drafting this Agreement. In the event that an ambiguity or a question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

3.12. Entire Agreement.

This Agreement constitutes the entire agreement and all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter of this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the Company and Urban II have caused this Registration Rights and Lockup Agreement to be signed by its officer thereunto duly authorized, all as of the date first written above.

PMC COMMERCIAL TRUST

By: /s/ Jan F. Salit

Name: Jan F. Salit

Title: President

URBAN PARTNERS II, LLC

By: CIM Urban Partners GP, LLC, its managing member

By: /s/ David Thompson

Name: David Thompson

Title: Vice President and Chief Financial Officer

Addresses For Notices

PMC COMMERCIAL TRUST

17950 Preston Road, Suite 600

Dallas, Texas 75252

Attn: Jan F. Salit (or most senior officer at such location)

URBAN PARTNERS II, LLC

6922 Hollywood Blvd.

Ninth Floor

Los Angeles, CA 90028

Attn: General Counsel