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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM 8-K**

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): November 15, 2004

Commission File Number 1-13610

**PMC COMMERCIAL TRUST**

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(Exact name of registrant as specified in its charter)

TEXAS

(State or other jurisdiction  
of incorporation or organization)

75-6446078

(I.R.S. Employer Identification No.)

17950 Preston Road, Suite 600, Dallas, TX 75252

(Address of principal executive offices)

(972) 349-3200

(Registrant's telephone number)

Former name, former address and former fiscal year, if changed since last report: NONE

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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### **Item 7.01. Regulation FD Disclosure**

On November 15, 2004, PMC Commercial Trust (the “Company”) issued a press release describing, among other things, its results of operations for the three and nine months ended September 30, 2004. A copy of the press release is attached as Exhibit 99.1 to this report. This information shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

In the press release, the Company used the “non-GAAP financial measure” of Funds from Operations (“FFO”). A reconciliation of FFO to the comparable “GAAP financial measure” (net income) is contained in the attached press release. As FFO falls within the definition of “non-GAAP financial measure,” the Company has included in the press release a statement disclosing the reasons why management believes that presentation of FFO provides useful information to investors regarding the Company’s results of operations.

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

(a) Not applicable.

(b) Not applicable.

(c) Exhibits

99.1 Press Release dated November 15, 2004.

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**SIGNATURE**

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

Date: November 16, 2004

**PMC COMMERCIAL TRUST**

By: /s/ Barry N. Berlin  
Barry N. Berlin, Chief Financial Officer

**FOR IMMEDIATE PRESS RELEASE**

FOR: PMC Commercial Trust  
17950 Preston Road, Suite 600  
Dallas, TX 75252

CONTACT: Investor Relations  
972-349-3235

**PMC Commercial Trust Announces Third Quarter and Year-To-Date Results****PMC Commercial Trust  
AMEX (Symbol PCC)**

Dallas, TX

November 15, 2004

PMC Commercial Trust (AMEX: PCC) announced third quarter and year-to-date results today. For the three months ended September 30, 2004, net income was \$3,148,000, or \$0.29 per share, compared to \$2,265,000, or \$0.35 per share, for the three months ended September 30, 2003. Our income from continuing operations increased to \$2,861,000 (\$0.26 per share) during the three months ended September 30, 2004 from \$1,893,000 (\$0.29 per share) during the three months ended September 30, 2003.

For the nine months ended September 30, 2004, our net income increased to \$20,977,000, or \$2.12 per share, from \$5,916,000, or \$0.92 per share, for the nine months ended September 30, 2003 primarily as a result of the \$11,593,000 extraordinary gain resulting from the merger with PMC Capital, Inc. ("PMC Capital"). Our income from continuing operations increased to \$8,724,000 (\$0.88 per share) during the nine months ended September 30, 2004 from \$5,349,000 (\$0.83 per share) during the nine months ended September 30, 2003.

As a result of the merger with PMC Capital on February 29, 2004, our assets under management increased resulting in both increased revenues and expenses. Revenue increases were primarily from an increase in other income resulting from increased prepayment fees and increased income from retained interests in transferred assets due to our 2003 securitization and the acquisition of \$43.6 million of retained interests in transferred assets from PMC Capital as a result of the merger.

The increase in income from continuing operations during the three months ended September 30, 2004 is primarily due to the merger with PMC Capital. Our revenue increases were primarily from (i) our retained interests in transferred assets (approximately \$1.5 million), (ii) increased other income (approximately \$0.4 million) and (iii) increased interest income (approximately \$0.7 million). Partially offsetting these increases in revenue were (i) increased overhead (comprised of salaries and related benefits, general and administrative and advisory and servicing fees expense) of approximately \$1.0 million (upon merger with PMC Capital, we became self-managed) and (ii) realized losses from retained interests in transferred assets of approximately \$0.6 million.

Dr. Andrew S. Rosemore, Chairman of the Board, stated, "We are pleased to report that our marketing initiatives have resulted in an increase in our backlog of unfunded loans to \$36.1 million at the end of September from \$26.4 million at June 30, 2004. Our portfolio continues its strong performance."

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The following tables contain comparative selected financial data as of September 30, 2004 and December 31, 2003 and for the three and nine months ended September 30, 2004 and 2003:

**FINANCIAL POSITION INFORMATION***(Dollars in thousands)*

	<b>September 30, 2004</b>	<b>December 31, 2003</b>	<b>Increase (Decrease) %</b>
Loans receivable, net	\$ 118,649	\$ 50,534	135%
Retained interests in transferred assets	\$ 70,585	\$ 30,798	129%
Real estate investments	\$ 40,259	\$ 43,339	(7%)
Total assets	\$ 254,464	\$ 131,736	93%
Notes and debentures payable	\$ 64,562	\$ 33,380	93%
Revolving credit facility	\$ 12,500	\$ —	—
Total beneficiaries' equity	\$ 160,005	\$ 92,091	74%
Shares outstanding	10,869	6,453	68%

**RESULTS OF OPERATIONS**

*(Dollars in thousands, except per share information)*

	Nine Months Ended September 30,			Three Months Ended September 30,		
	2004	2003	Incr (Decr) %	2004	2003	Incr (Decr) %
<b>Income:</b>						
Interest income	\$ 5,705	\$ 4,717	21%	\$ 2,336	\$ 1,670	40%
Lease income	4,235	4,162	2%	1,427	1,407	1%
Income from retained interests in transferred assets	5,974	2,045	192%	2,131	669	219%
Premium income	484	—	NA	334	—	NA
Other income	1,744	292	497%	614	193	218%
<b>Total income</b>	<b>18,142</b>	<b>11,216</b>	<b>62%</b>	<b>6,842</b>	<b>3,939</b>	<b>74%</b>
<b>Expenses:</b>						
Interest expense	3,339	2,580	29%	1,221	868	41%
Advisory and servicing fees, net	292	1,365	(79%)	—	472	(100%)
Depreciation	1,405	1,350	4%	473	455	4%
Salaries and related benefits	2,375	—	NA	1,113	—	NA
General and administrative expenses	1,375	405	240%	519	151	244%
Impairment loss on asset acquired in liquidation	—	67	(100%)	—	—	NA
Realized losses on retained interests in transferred assets	717	—	NA	616	—	NA
Provision for (reduction of) loan losses	(208)	100	NA	(3)	100	NA
<b>Total expenses</b>	<b>9,295</b>	<b>5,867</b>	<b>58%</b>	<b>3,939</b>	<b>2,046</b>	<b>93%</b>
<b>Income before income tax provision, minority interest, discontinued operations and extraordinary item</b>	<b>8,847</b>	<b>5,349</b>	<b>65%</b>	<b>2,903</b>	<b>1,893</b>	<b>53%</b>
Income tax expense	(70)	—	NA	(19)	—	NA
Minority interest (preferred stock dividend of subsidiary)	(53)	—	NA	(23)	—	NA
<b>Income from continuing operations</b>	<b>8,724</b>	<b>5,349</b>	<b>63%</b>	<b>2,861</b>	<b>1,893</b>	<b>51%</b>
<b>Discontinued operations</b>	<b>660</b>	<b>567</b>	<b>16%</b>	<b>287</b>	<b>372</b>	<b>(23%)</b>
<b>Income before extraordinary item</b>	<b>9,384</b>	<b>5,916</b>	<b>59%</b>	<b>3,148</b>	<b>2,265</b>	<b>39%</b>
<b>Extraordinary item: negative goodwill</b>	<b>11,593</b>	<b>—</b>	<b>NA</b>	<b>—</b>	<b>—</b>	<b>NA</b>
<b>Net income</b>	<b>\$ 20,977</b>	<b>\$ 5,916</b>	<b>255%</b>	<b>\$ 3,148</b>	<b>\$ 2,265</b>	<b>39%</b>
<b>Basic weighted average shares outstanding</b>	<b>9,887</b>	<b>6,447</b>		<b>10,857</b>	<b>6,449</b>	
<b>Basic and diluted earnings per share:</b>						
Income from continuing operations	\$ 0.88	\$ 0.83	6%	\$ 0.26	\$ 0.29	(10%)
Discontinued operations	0.07	0.09	(22%)	0.03	0.06	(50%)
Extraordinary item	1.17	—	NA	—	—	NA
<b>Net income</b>	<b>\$ 2.12</b>	<b>\$ 0.92</b>	<b>130%</b>	<b>\$ 0.29</b>	<b>\$ 0.35</b>	<b>(17%)</b>



**FUNDS FROM OPERATIONS (“FFO”) RECONCILIATION**

FFO (i) does not represent cash flows from operations as defined by generally accepted accounting principles (“GAAP”), (ii) is not indicative of cash available to fund all cash flow needs and liquidity, including our ability to make distributions, and (iii) should not be considered as an alternative to net income (as determined in accordance with GAAP) for purposes of evaluating our operating performance. We consider FFO to be an appropriate measure of the operating performance for a hybrid real estate investment trust (“REIT”) because it provides a relevant basis for comparison among REITs. FFO is defined by the National Association of Real Estate Investment Trusts (NAREIT) as net income or loss determined in accordance with GAAP, excluding gains or losses from sales of property and extraordinary items, plus real estate depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures. FFO is presented to assist investors in analyzing our performance and is a measure that is presented quarterly to the Board of Trust Managers and is utilized in the determination of dividends to be paid to our shareholders. Our method of calculating FFO may be different from the methods used by other REITs and, accordingly, may not be directly comparable to such other REITs. Our formulation of FFO set forth below is consistent with the NAREIT White Paper definition of FFO.

A reconciliation of our FFO for the three and nine months ended September 30, 2004 and 2003 was as follows:

	Nine Months Ended September 30,		Three Months Ended September 30,	
	2004	2003	2004	2003
	<i>(In thousands)</i>			
Net income	\$ 20,977	\$ 5,916	\$ 3,148	\$ 2,265
Deduct extraordinary gain	(11,593)	—	—	—
Add (deduct) losses (gains) on sale of real estate	136	(283)	354	(283)
Add depreciation	1,405	1,419	473	478
FFO	<u>\$ 10,925</u>	<u>\$ 7,052</u>	<u>\$ 3,975</u>	<u>\$ 2,460</u>

*CERTAIN MATTERS DISCUSSED IN THIS PRESS RELEASE ARE “FORWARD-LOOKING STATEMENTS” INTENDED TO QUALIFY FOR THE SAFE HARBORS FROM LIABILITY ESTABLISHED BY THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. THESE FORWARD-LOOKING STATEMENTS CAN GENERALLY BE IDENTIFIED AS SUCH BECAUSE THE CONTEXT OF THE STATEMENT WILL INCLUDE WORDS SUCH AS THE COMPANY “EXPECTS,” “ANTICIPATES” OR WORDS OF SIMILAR IMPORT. SIMILARLY, STATEMENTS THAT DESCRIBE THE COMPANY’S FUTURE PLANS, OBJECTIVES OR GOALS ARE ALSO FORWARD-LOOKING STATEMENTS. SUCH FORWARD-LOOKING STATEMENTS ARE SUBJECT TO CERTAIN RISKS AND UNCERTAINTIES, INCLUDING THE FINANCIAL PERFORMANCE OF THE COMPANY, REAL ESTATE CONDITIONS AND MARKET VALUATIONS OF ITS STOCK, WHICH COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CURRENTLY ANTICIPATED. ALTHOUGH THE COMPANY BELIEVES THE EXPECTATIONS REFLECTED IN ANY FORWARD-LOOKING STATEMENTS ARE BASED ON REASONABLE ASSUMPTIONS, THE COMPANY CAN GIVE NO ASSURANCE THAT ITS EXPECTATIONS WILL BE ATTAINED. SHAREHOLDERS, POTENTIAL INVESTORS AND OTHER READERS ARE URGED TO CONSIDER THESE FACTORS CAREFULLY IN EVALUATING THE FORWARD-LOOKING STATEMENTS. THE FORWARD-LOOKING STATEMENTS MADE HEREIN ARE ONLY MADE AS OF THE DATE OF THIS PRESS RELEASE AND THE COMPANY UNDERTAKES NO OBLIGATION TO PUBLICLY UPDATE SUCH FORWARD-LOOKING STATEMENTS TO REFLECT SUBSEQUENT EVENTS OR CIRCUMSTANCES.*