

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): June 22, 2005

Commission File Number 1-13610

PMC COMMERCIAL TRUST

(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))

Item 8.01. Other Events

On June 23, 2005, PMC Commercial Trust issued a press release announcing its lessee's bankruptcy and continued pursuit of Arlington Hospitality, Inc. as guarantor. A copy of the press release is attached as Exhibit 99.1 to this report.

Item 9.01. Financial Statements and Exhibits

- (a) Not applicable.
- (b) Not applicable.
- (c) Exhibits

99.1 Press Release dated June 23, 2005.

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: June 23, 2005

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 LESSEE BANKRUPTCY AND CONTINUED PURSUIT OF ARLINGTON HOSPITALITY, INC. AS GUARANTOR

PMC Commercial Trust
AMEX (Symbol: "PCC")

Dallas, Texas

June 23, 2005

On June 22, 2005, Arlington Inns, Inc., PMC Commercial Trust's ("PMC's") tenant and a subsidiary of Arlington Hospitality, Inc. (NASDAQ: HOST), filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code") with the United States Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court"). The parent and guarantor for our leases, Arlington Hospitality, Inc. ("Arlington Hospitality") has not filed bankruptcy at the time of this announcement. PMC will continue to vigorously pursue Arlington Hospitality with respect to any and all amounts, which remain due and owing to PMC.

Of the 18 properties under lease agreements at the time of Arlington Hospitality's event of default, two have been sold which were located in Storm Lake, Iowa and Jackson, Tennessee and we have possession of the property located in McKinney, Texas.

While PMC has actively pursued a settlement with Arlington Hospitality, all proposals have been rejected by Arlington Hospitality. PMC intends to vigorously pursue its interests against the tenant in the bankruptcy forum and the parent and guarantor outside of bankruptcy.

PMC Commercial Trust is a REIT that originates loans to small businesses secured by real estate and owns various hospitality properties.

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", "will" 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 can be 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.