

**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): January 28, 2008

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 1.01 Entry into a Material Definitive Agreement.

On January 28, 2008, PMC Commercial Trust amended its (i) revolving credit facility to increase the amount available under the facility from \$20 million to \$45 million and (ii) warehouse facility (the "Conduit Facility") which, among other things, extended the Conduit Facility's maturity date from February 2008 to May 2, 2008.

The interest rate spread on our Conduit Facility will remain the same during the extended period. The Conduit Facility cost of funds is the pass-through rate as defined in the facility documents plus 0.85%. The "pass-through" rate is the rate that the Conduit Facility pays for its commercial paper and historically has approximated LIBOR.

The Conduit Facility allows for advances based on the amount of eligible collateral sold and has minimum collateral requirements. In addition to the extension, the amendment increased the amount of collateral required under the Conduit Facility. Due to PMC Commercial Trust having excess collateral that meets eligibility requirements of the Conduit Facility, we do not expect this change in collateral requirements to have a material impact on us.

The funds to repay principal under our Conduit Facility are typically obtained through securitizations of the loans collateralizing advances under the Conduit Facility. As a result of current market conditions, we expect that the interest rate spread would be at or above the spread on our prior variable-rate structured transaction of LIBOR plus 1.25%. Therefore, we may delay completion of a securitization until market conditions are more favorable.

While we can give no assurances, prior to May 2, 2008, we anticipate that we will either extend the maturity date of the Conduit Facility by as much as a year and/or complete a securitization. Accordingly, to allow us to continue our loan origination platform without disruption, we have increased the amount available under our revolving credit facility, which matures December 31, 2009, from \$20 million to \$45 million. We currently have approximately \$24 million of Conduit Facility borrowings outstanding and have no borrowings outstanding under our revolving credit facility.

The foregoing summary is qualified in its entirety by reference to the full text of the amendments to the Conduit Facility and the revolving credit facility attached hereto as Exhibits 10.1 and 10.2 to this Form 8-K, both of which exhibits are incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth under Item 1.01 above related to our revolving credit facility is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

- 10.1 Amendment No. 3 to Credit and Security Agreement between PMC Conduit, L.P. as borrower, PMC Conduit, LLC, PMC Commercial Trust as the servicer, JS Siloed Trust, as the conduit lender and JPMorgan Chase Bank, N.A., as an alternative lender and as agent dated January 28, 2008
- 10.2 Seventh Amendment to Credit Agreement between PMC Commercial Trust and JPMorgan Chase Bank, N.A. dated January 28, 2008

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: January 30, 2008

PMC COMMERCIAL TRUST

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

AMENDMENT NO. 3
TO
CREDIT AND SECURITY AGREEMENT

THIS AMENDMENT NO. 3 TO CREDIT AND SECURITY AGREEMENT (this "Amendment") dated as of January 28, 2008, is entered into among PMC CONDUIT, L.P. as borrower (the "Borrower"), PMC CONDUIT, LLC, PMC COMMERCIAL TRUST, as the servicer (the "Servicer"), JS SILOED TRUST, as the "Conduit Lender" and JPMORGAN CHASE BANK, N.A., as an "Alternate Lender" and as agent (in such capacity, the "Agent"). Capitalized terms used herein without definition shall have the meanings ascribed thereto in Exhibit I to the "Credit Agreement" referred to below.

PRELIMINARY STATEMENTS

A. Reference is made to that certain Credit and Security Agreement dated as of February 7, 2005 among the Borrower, PMC Conduit, LLC, the Servicer, the Lenders from time to time party thereto and the Agent (as heretofore amended, the "Credit Agreement").

B. The parties hereto have agreed to amend certain provisions of the Credit Agreement upon the terms and conditions set forth herein.

SECTION 1. Amendments. Subject to the satisfaction of the conditions precedent set forth in Section 3 hereof, the Credit Agreements is hereby amended as follows:

(a) Section 9.1(s) of the Credit Agreement is hereby amended and restated in its entirety as follows:

"(s) The Borrower shall fail to consummate at least one Term Securitization on or prior to May 2, 2008 or shall fail to consummate at least one Term Securitization during each subsequent eighteen (18) month period following the most recent Term Securitization;"

(b) The definition of "Amortization Date" set forth on Exhibit I to the Credit Agreement is hereby amended and restated in its entirety as follows:

"Amortization Date" means the earliest to occur of (i) the Scheduled Termination Date, (ii) the date the Aggregate Principal is repaid in whole pursuant to Section 1.4, (iii) the Business Day immediately prior to the occurrence of an Event of Bankruptcy with respect to any Transaction Party, (iv) the date on which the Agent declares the Amortization Date to have occurred pursuant to Section 9.2, and (v) the date which is three (3) Business Days after the Agent's receipt of written notice from Borrower that it wishes to terminate the facility evidenced by this Agreement."

(c) Clause (c) of the definition of "Borrowing Base" set forth on Exhibit I to the Credit Agreement is hereby amended and restated in its entirety as follows:

"(c) the greater of (i) the product of (A) 10% and (B) the amount described in clause (a) and (ii) the lesser of (A) the product of (x) 4 and (y) the largest Principal Balance of any Pool Loan on such date and (B) the sum of the Principal Balances of the Pool Loans with the five largest Principal Balances on such date; minus"

(d) The definition of “Change of Control” set on Exhibit I to the Credit Agreement is hereby amended and restated in its entirety as follows:

“Change of Control” means (i) the acquisition by any Person, or two or more Persons acting in concert, of beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934) of 20% or more of the outstanding shares of voting stock of PMC, (ii) PMC’s failure to own, directly or indirectly, 100% of the issued and outstanding membership interests of the General Partner, (iii) the General Partner’s failure to own, directly or indirectly, 100% of the issued and outstanding general partnership interests of the Borrower or (iv) any material change in the management of PMC or PMC and the Borrower taken as a whole, including, without limitation, any two of the following Persons shall cease for any reason to be employed by PMC in the same or a substantially similar position as such Person holds on the date hereof: Lance Rosemore, Andrew Rosemore, Jan Salit or Barry Berlin.”

(e) The definition of “Scheduled Termination Date” set forth on Exhibit I to the Credit Agreement is hereby amended by replacing “February 4, 2008” with “May 2, 2008”.

SECTION 2. Representations and Warranties. The Borrower hereby represents and warrants to each of the other parties hereto, that:

(a) this Amendment and the Credit Agreement amended hereby each constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms; and

(b) on the date hereof, before and after giving effect to this Amendment, no Unmatured Amortization Event or Amortization Event has occurred and is continuing.

SECTION 3. Conditions Precedent. This Amendment shall become effective as of the date hereof when, and only when:

(a) the Agent or its counsel shall have received counterpart signature pages to this Amendment, executed by the parties hereto;

(b) each representation and warranty by the Borrower set forth in Section 2 above and contained in the Credit Agreement (as amended hereby) and in each other Transaction Document shall be true and correct as of the date hereof, except to the extent that such representation or warranty expressly relates solely to an earlier date; and

(c) no Unmatured Amortization Event or Amortization Event shall have occurred and be continuing or would result after giving effect to any of the transactions contemplated on the date hereof.

SECTION 4. Reference to and Effect on the Transaction Documents.

(a) Upon the effectiveness of this Amendment, (i) each reference in the Credit Agreement to “this Credit Agreement”, “this Agreement”, “hereunder”, “hereof”, “herein” or words of like import shall mean and be a reference to the Credit Agreement as amended or otherwise modified hereby, and (ii) each reference to the Credit Agreement in any other Transaction Document or any other document, instrument or agreement executed and/or delivered in connection therewith, shall mean and be a reference to the Credit Agreement as amended or otherwise modified hereby.

(b) Except as specifically amended, terminated or otherwise modified above, the terms and conditions of the Credit Agreement, of all other Transaction Documents and any other documents, instruments and agreements executed and/or delivered in connection therewith, shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Agent, PMC Conduit, LLC, the Servicer or any Lender under the Credit Agreement or any other Transaction Document or any other document, instrument or agreement executed in connection therewith, nor constitute a waiver of any provision contained therein, in each case except as specifically set forth herein.

SECTION 5. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 6. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 7. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

SECTION 8. Fees and Expenses. The Borrower hereby confirms its agreement to pay on demand all reasonable costs and expenses of the Agent in connection with the preparation, execution and delivery of this Amendment and any of the other instruments, documents and agreements to be executed and/or delivered in connection herewith, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel to the Agent with respect thereto.

SECTION 9. Entire Agreement. This Amendment, taken together with the Credit Agreement and all of the other Transaction Documents, embodies the entire agreement and understanding of the parties hereto and supersedes all prior agreements and understandings, written and oral, relating to the subject matter hereof.

SECTION 10. No Course of Dealing. The Agent and the Lenders have entered into this Amendment on the express understanding with the Borrower, PMC Conduit, LLC and the Servicer that in entering into this Amendment, none of them are establishing any course of dealing with the Borrower, PMC Conduit, LLC or the Servicer. The rights of the Agent and each Lender to require strict performance with all the terms and conditions of the Credit Agreement as amended by this Amendment and the other Transaction Documents shall not in any way be impaired by the execution of this Amendment. Neither the Agent nor any Lender shall be obligated in any manner to execute any further amendments or waivers, and if such waivers or amendments are requested in the future, assuming the terms and conditions thereof are acceptable to them, the Agent and the Lenders may require the payment of fees in connection therewith.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective officers as of the date first above written.

PMC CONDUIT, L.P., as the Borrower

By: PMC CONDUIT, LLC, its General Partner

By: /s/ Jan F. Salit
Name: Jan F. Salit
Title: Executive Vice President

PMC CONDUIT, LLC

By: /s/ Jan F. Salit
Name: Jan F. Salit
Title: Executive Vice President

PMC COMMERCIAL TRUST, as Servicer

By: /s/ Jan F. Salit
Name: Jan F. Salit
Title: Executive Vice President

JS SILOED TRUST, as a Lender

By: JPMorgan Chase Bank, National Association,
as administrative trustee

By: /s/ Maureen E. Marcon
Name: Maureen E. Marcon
Title: Vice President

JPMORGAN CHASE BANK, N.A.,
as an Alternate Lender and as Agent

By: /s/ Maureen E. Marcon
Name: Maureen E. Marcon
Title: Vice President

SEVENTH AMENDMENT TO CREDIT AGREEMENT

THIS AMENDMENT TO CREDIT AGREEMENT (this "Amendment") is entered into as of January 28, 2008, among PMC COMMERCIAL TRUST, a real estate investment trust organized under the laws of the State of Texas ("Borrower"), certain Lenders, and JPMORGAN CHASE BANK, N.A. (successor by merger to Bank One, N.A. (Main Office Chicago)) ("Administrative Agent").

PRELIMINARY STATEMENT:

Borrower, Administrative Agent and Lenders are party to that certain Credit Agreement (as renewed, extended, amended and restated, the "Credit Agreement") dated as of February 29, 2004, pursuant to which the Lenders have made and may hereafter make loans to Borrower. The parties hereto have agreed to amend the Credit Agreement as described herein.

Accordingly, for adequate and sufficient consideration, the receipt of which is hereby acknowledged, Borrower, Administrative Agent and Lenders agree as follows:

1. Defined Terms; References. Unless otherwise stated in this Amendment (a) terms defined in the Credit Agreement have the same meanings when used in this Amendment and (b) references to "Sections," "Schedules" and "Exhibits" are to sections, schedules and exhibits to the Credit Agreement.

2. Amendments.

(a) The defined term "Commitment" in Section 1.1 of the Credit Agreement is amended in its entirety as follows:

"Commitment" means an amount (subject to reduction or cancellation as herein provided) equal to \$45,000,000.

3. Conditions Precedent. Notwithstanding any contrary provisions, the foregoing paragraphs in this Amendment are not effective unless and until (a) the representations and warranties in this Amendment are true and correct, (b) Administrative Agent receives counterparts of this Amendment executed by each party named below, (c) Administrative Agent receives an executed original of an amended and restated promissory note from Borrower in the stated principal amount of \$45,000,000, and (d) Administrative Agent receives a certificate from Borrower's corporate secretary regarding incumbency, resolutions and organizational documents for Borrower.

4. Ratifications. This Amendment modifies and supersedes all inconsistent terms and provisions of the Credit Documents, and except as expressly modified and superseded by this Amendment, the Credit Documents are ratified and confirmed and continue in full force and effect. Borrower, Administrative Agent and Lenders agree that the Credit Documents, as amended by this Amendment, continue to be legal, valid, binding and enforceable in accordance with their respective terms.

5. Representations and Warranties. Borrower hereby represents and warrants to Administrative Agent and Lenders that (a) this Amendment and any Credit Documents to be delivered under this Amendment have been duly executed and delivered by Borrower, (b) no action of, or filing with, any Governmental Authority is required to authorize, or is otherwise required in connection with, the execution, delivery, and performance by Borrower of this Amendment and any Credit Document to be delivered under this Amendment, (c) this Amendment and any Credit Documents to be delivered under this Amendment are valid and binding upon Borrower and are enforceable against Borrower in accordance with their respective terms, except as limited by any applicable Debtor Relief Laws, (d) the execution, delivery and performance by Borrower of this Amendment and any Credit Documents to be delivered under this Amendment do not require the consent of any other Person and do not and will not constitute a violation of any Governmental Requirements, agreements or understandings to which Borrower is a party or by which Borrower is bound, (e) the representations and warranties contained in the Credit Agreement, as amended by this Amendment, and any other Credit Document are true and correct in all material respects as of the date of this Amendment, and (f) as of the date of this Amendment, no Event of Default or Potential Default exists or is imminent.

6. References. All references in the Credit Documents to the “Credit Agreement” refer to the Credit Agreement as amended by this Amendment. This Amendment is a “Credit Document” referred to in the Credit Agreement and the provisions relating to Credit Documents in the Credit Agreement are incorporated by reference, the same as if set forth verbatim in this Amendment.

7. Counterparts. This Amendment may be executed in any number of counterparts with the same effect as if all signatories had signed the same document.

8. Parties Bound. This Amendment binds and inures to the benefit of Borrower, Administrative Agent and each Lender, and, subject to Section 14 of the Credit Agreement, their respective successors and assigns.

9. Entirety. **THIS AMENDMENT, THE CREDIT AGREEMENT AS AMENDED BY THIS AMENDMENT, AND THE OTHER CREDIT DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES FOR THE TRANSACTIONS THEREIN, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS BETWEEN THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.**

[Remainder of page intentionally blank. Signature Page follows.]

EXECUTED as of the date first stated above.

JPMORGAN CHASE BANK, NA,
as *Administrative Agent, Bank One* and a *Lender*

By: /s/ Bradley C. Peters
Bradley C. Peters, Senior Vice President

PMC COMMERCIAL TRUST,
as *Borrower*

By: /s/ Jan F. Salit
Name: Jan F. Salit
Title: Executive Vice President