

PMC COMMERCIAL TRUST /TX
Form 10-Q
August 09, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One);

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2012

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____ .

Commission File Number 1-13610

PMC COMMERCIAL TRUST

(Exact name of registrant as specified in its charter)

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TEXAS
(State or other jurisdiction)

75-6446078
(I.R.S. Employer Identification No.)

(of incorporation or organization)

17950 Preston Road, Suite 600, Dallas, TX 75252

(Address of principal executive offices)

(972) 349-3200

(Registrant's telephone number)

Indicate by check mark whether the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. YES NO

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

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). YES NO

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the Registrant is a shell company (as defined in Exchange Act Rule 12b-2). YES NO

As of August 1, 2012, the Registrant had outstanding 10,589,554 Common Shares of Beneficial Interest, par value \$0.01 per share.

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PMC COMMERCIAL TRUST AND SUBSIDIARIES

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PART I

Financial Information

ITEM 1.

Financial Statements

Table of Contents**PMC COMMERCIAL TRUST AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEETS***(In thousands, except share data)*

	June 30, 2012	December 31, 2011
	<i>(Unaudited)</i>	
ASSETS		
Loans receivable, net:		
Commercial mortgage loans receivable	\$ 138,332	\$ 133,327
SBIC commercial mortgage loans receivable	39,222	32,153
SBA 7(a) loans receivable, subject to secured borrowings	37,543	30,476
SBA 7(a) loans receivable	28,662	22,997
Commercial mortgage loans receivable, subject to structured notes payable		15,474
Loans receivable, net	243,759	234,427
Real estate owned	2,539	1,259
Cash and cash equivalents	1,309	6,502
Restricted cash and cash equivalents		2,233
Other assets	7,246	6,826
Total assets	\$ 254,853	\$ 251,247
LIABILITIES AND EQUITY		
Liabilities:		
Debt:		
Secured borrowings - government guaranteed loans	\$ 40,213	\$ 32,546
Junior subordinated notes	27,070	27,070
Revolving credit facility	21,000	17,800
SBIC debentures payable	13,187	13,181
Structured notes payable		5,264
Debt	101,470	95,861
Borrower advances	4,811	3,863
Accounts payable and accrued expenses	3,076	2,095
Dividends payable	1,717	1,692
Total liabilities	111,074	103,511
<i>Commitments and contingencies</i>		
Beneficiaries equity:		
Common shares of beneficial interest; authorized 100,000,000 shares of \$0.01 par value; 11,125,883 and 11,110,883 shares issued at June 30, 2012 and December 31, 2011, respectively; 10,589,554 and 10,574,554 shares outstanding at June 30, 2012 and December 31, 2011, respectively	111	111
Additional paid-in capital	153,041	152,934
Net unrealized appreciation of retained interests in transferred assets	288	394
Cumulative net income	175,526	176,096
Cumulative dividends	(181,186)	(177,798)

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Beneficiaries equity before treasury stock	147,780	151,737
Less: Treasury stock; at cost, 536,329 shares at June 30, 2012 and December 31, 2011	(4,901)	(4,901)
Total beneficiaries equity	142,879	146,836
Noncontrolling interests cumulative preferred stock of subsidiary	900	900
Total equity	143,779	147,736
Total liabilities and equity	\$ 254,853	\$ 251,247

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents**PMC COMMERCIAL TRUST AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF INCOME (LOSS)***(In thousands, except per share data)*

	Six Months Ended June 30,		Three Months Ended June 30,	
	2012	2011	2012	2011
	<i>(Unaudited)</i>			
Revenues:				
Interest income	\$ 6,831	\$ 6,756	\$ 3,433	\$ 3,389
Premium income	391	559	278	128
Other income	529	588	253	330
Total revenues	7,751	7,903	3,964	3,847
Expenses:				
Salaries and related benefits	2,259	2,216	1,115	1,099
Strategic alternatives	2,202		1,352	
Interest	1,759	1,930	876	957
General and administrative	998	1,048	538	544
Provision for loan losses, net	593	379	118	66
Total expenses	7,811	5,573	3,999	2,666
Income (loss) before income tax benefit (provision) and discontinued operations	(60)	2,330	(35)	1,181
Income tax benefit (provision)	(39)	29	(58)	54
Income (loss) from continuing operations	(99)	2,359	(93)	1,235
Discontinued operations	(471)	(104)	(322)	104
Net income (loss)	\$ (570)	\$ 2,255	\$ (415)	\$ 1,339
Weighted average shares outstanding:				
Basic	10,581	10,566	10,586	10,570
Diluted	10,599	10,621	10,607	10,626
Basic and diluted earnings (loss) per share:				
Income (loss) from continuing operations	\$ (0.01)	\$ 0.22	\$ (0.01)	\$ 0.12
Discontinued operations	(0.04)	(0.01)	(0.03)	0.01
Net income (loss)	\$ (0.05)	\$ 0.21	\$ (0.04)	\$ 0.13

The accompanying notes are an integral part of these consolidated financial statements.

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PMC COMMERCIAL TRUST AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In thousands)

	Six Months Ended June 30,		Three Months Ended June 30,	
	2012	2011	2012	2011
Net income (loss)	\$ (570)	\$ 2,255	\$ (415)	\$ 1,339
<i>(Unaudited)</i>				
Change in unrealized appreciation of retained interests in transferred assets:				
Net unrealized appreciation (depreciation) arising during period	(40)	118	(31)	51
Net realized gains included in net income (loss)	(66)	(45)	(30)	(25)
Change in unrealized appreciation of retained interests in transferred assets	(106)	73	(61)	26
Comprehensive income (loss)	\$ (676)	\$ 2,328	\$ (476)	\$ 1,365

0
shares

8 SHARED DISPOSITIVE
POWER

2,019,000

9 AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
EACH REPORTING PERSON

2,019,000

10 CHECK BOX IF THE
AGGREGATE AMOUNT IN
ROW (9) EXCLUDES
CERTAIN SHARES

11 PERCENT OF CLASS
REPRESENTED BY AMOUNT
IN ROW (9)

5.6%

12 TYPE OF REPORTING
PERSON

CO

CUSIP NO. 13089P101

1	NAME OF REPORTING PERSON	
	Mark N. Lampert	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a) (b)
3	SEC USE ONLY	
4	CITIZENSHIP OR PLACE OF ORGANIZATION	
	United States	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER 0 shares
	6	SHARED VOTING POWER 2,019,000
	7	SOLE DISPOSITIVE POWER 0 shares
	8	SHARED DISPOSITIVE POWER 2,019,000
9	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
10	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES	

CERTAIN
SHARES

11 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

12 5.6%
TYPE OF REPORTING
PERSON

IN

8

CUSIP NO. 13089P101

Item 1(a).

Name of Issuer:

Calithera Biosciences, Inc., a Delaware corporation (the "Issuer").

Item 1(b).

Address of Issuer's Principal Executive Offices:

343 Oyster Point Blvd., Suite 200

South San Francisco, California 94080

Item 2(a).

Name of Person Filing

Item 2(b).

Address of Principal Business Office or, if None, Residence

Item 2(c).

Citizenship

Biotechnology Value Fund, L.P. ("BVF")

44 Montgomery St., 40th Floor

San Francisco, California 94104

Citizenship: Delaware

Biotechnology Value Fund II, L.P. ("BVF2")

44 Montgomery St., 40th Floor

San Francisco, California 94104

Citizenship: Delaware

Biotechnology Value Trading Fund OS LP ("Trading Fund OS")

PO Box 309 Uglan House

Grand Cayman, KY1-1104

Cayman Islands

Citizenship: Cayman Islands

BVF Partners OS Ltd. (“Partners OS”)

PO Box 309 Ugland House

Grand Cayman, KY1-1104

Cayman Islands

Citizenship: Cayman Islands

BVF Partners L.P. (“Partners”)

44 Montgomery St., 40th Floor

San Francisco, California 94104

Citizenship: Delaware

BVF Inc.

44 Montgomery St., 40th Floor

San Francisco, California 94104

Citizenship: Delaware

Mark N. Lampert (“Mr. Lampert”)

44 Montgomery St., 40th Floor

San Francisco, California 94104

Citizenship: United States

Each of the foregoing is referred to as a “Reporting Person” and collectively as the “Reporting Persons.”

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Item 2(d).

Title of Class of Securities:

Common stock, par value \$0.0001 per share (the "Shares").

Item 2(e).

CUSIP Number:

13089P101

Item 3. If This Statement is Filed Pursuant to Rule 13d-1(b), or 13d-2(b) or (c), Check Whether the Person Filing is a:

/x/Not applicable.

(a) // Broker or dealer registered under Section 15 of the Exchange Act.

(b) // Bank as defined in Section 3(a)(6) of the Exchange Act.

(c) // Insurance company as defined in Section 3(a)(19) of the Exchange Act.

(d) // Investment company registered under Section 8 of the Investment Company Act.

(e) // An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E).

(f) // An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F).

(g) // A parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G).

(h) // A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act.

(i) // A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act.

(j) // Group, in accordance with Rule 13d-1(b)(1)(ii)(J).

(k) // Group, in accordance with Rule 240.13d-1(b)(1)(ii)(K). If filing as a non-U.S. institution in accordance with Rule 240.13d-1(b)(1)(ii)(J), please specify the type of institution: _____

Item 4.

Ownership

(a) Amount beneficially owned:

As of the close of business on September 4, 2018 (i) BVF beneficially owned 970,400 Shares, (ii) BVF2 beneficially owned 724,237 Shares, and (iii) Trading Fund OS beneficially owned 143,650 Shares.

Partners OS, as the general partner of Trading Fund OS, may be deemed to beneficially own the 143,650 Shares beneficially owned by Trading Fund OS.

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Partners, as the general partner of BVF, BVF2, the investment manager of Trading Fund OS, and the sole member of Partners OS, may be deemed to beneficially own the 2,019,000 Shares beneficially owned in the aggregate by BVF, BVF2, Trading Fund OS, and certain Partners managed accounts (the "Partners Managed Accounts"), including 180,713 Shares held in the Partners Managed Accounts.

BVF Inc., as the general partner of Partners, may be deemed to beneficially own the 2,019,000 Shares beneficially owned by Partners.

Mr. Lampert, as a director and officer of BVF Inc., may be deemed to beneficially own the 2,019,000 Shares beneficially owned by BVF Inc.

The foregoing should not be construed in and of itself as an admission by any Reporting Person as to beneficial ownership of any Shares owned by another Reporting Person. Partners OS disclaims beneficial ownership of the Shares beneficially owned by Trading Fund OS. Each of Partners, BVF Inc. and Mr. Lampert disclaims beneficial ownership of the Shares beneficially owned by BVF, BVF2, Trading Fund OS, and the Partners Managed Accounts, and the filing of this statement shall not be construed as an admission that any such person or entity is the beneficial owner of any such securities.

(b) Percent of class:

The following percentages are based on 35,987,379 Shares outstanding, as of August 2, 2018, as disclosed in the Issuer's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 7, 2018.

As of the close of business on September 4, 2018 (i) BVF beneficially owned approximately 2.7% of the outstanding Shares, (ii) BVF2 beneficially owned approximately 2.0% of the outstanding Shares, (iii) Trading Fund OS beneficially owned less than 1% of the outstanding Shares (iv) Partners OS may be deemed to beneficially own less than 1% of the outstanding Shares, and (v) each of Partners, BVF Inc. and Mr. Lampert may be deemed to beneficially own approximately 5.6% of the outstanding Shares (less than 1% of the outstanding Shares are held in the Partners Managed Accounts).

(c) Number of shares as to which such person has:

(i) Sole power to vote or to direct the vote

See Cover Pages Items 5-9.

(ii) Shared power to vote or to direct the vote

See Cover Pages Items 5-9.

(iii) Sole power to dispose or to direct the disposition of

See Cover Pages Items 5-9.

(iv) Shared power to dispose or to direct the disposition of

See Cover Pages Items 5-9.

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Item 5. Ownership of Five Percent or Less of a Class.

Not Applicable.

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

Partners, BVF Inc. and Mr. Lampert share voting and dispositive power over the Shares beneficially owned by BVF, BVF2, Trading Fund OS, and the Partners Managed Accounts.

Item 7. Identification and Classification of the Subsidiary That Acquired the Security Being Reported on by the Parent Holding Company or Control Person.

Not Applicable.

Item 8. Identification and Classification of Members of the Group.

See Exhibit 99.1.

Item 9. Notice of Dissolution of Group.

Not Applicable.

Item 10. Certifications.

By signing below each of the undersigned certifies that, to the best of its knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

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SIGNATURE

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: September 4, 2018

BIOTECHNOLOGY VALUE FUND, L.P.

By: BVF Partners L.P., its general partner
By: BVF Inc., its general partner

By: /s/ Mark N. Lampert
Mark N. Lampert
President

BVF INC.

By: /s/ Mark N. Lampert
Mark N. Lampert
President

/s/ Mark N. Lampert
MARK N. LAMPERT

BIOTECHNOLOGY VALUE FUND II, L.P.

By: BVF Partners L.P., its general partner
By: BVF Inc., its general partner

By: /s/ Mark N. Lampert
Mark N. Lampert
President

BVF PARTNERS L.P.

By: BVF Inc., its general partner

By: /s/ Mark N. Lampert
Mark N. Lampert
President

BVF PARTNERS OS LTD.

By: BVF Partners L.P., its sole member
By: BVF Inc., its general partner

By: /s/ Mark N. Lampert
Mark N. Lampert
President

Biotechnology Value Trading Fund OS LP

By: BVF Partners L.P., its investment manager
By: BVF Inc., its general partner

By: /s/ Mark N. Lampert
Mark N. Lampert
President

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