CIM Commercial Trust Corp Form 424B3 May 14, 2018 Table of Contents

Filed Pursuant to Rule 424(b)(3)

Registration No. 333-210880

### CIM COMMERCIAL TRUST CORPORATION

### SUPPLEMENT NO. 1, DATED MAY 14, 2018,

### TO THE PROSPECTUS, DATED APRIL 11, 2018

This prospectus supplement (this Supplement No. 1) is part of the prospectus of CIM Commercial Trust Corporation (the Company) dated April 11, 2018 (the Prospectus). This Supplement No. 1 supplements certain information contained in the Prospectus. This Supplement No. 1 should be read, and will be delivered, with the Prospectus. Capitalized terms used in this Supplement No. 1 but not defined in this Supplement No. 1 shall have the meanings ascribed to them in the Prospectus.

### Form 10-Q for the Quarter Ended March 31, 2018

On May 10, 2018, the Company filed with the United States Securities and Exchange Commission its Quarterly Report on Form 10-Q for the quarter ended March 31, 2018. The Quarterly Report (excluding the exhibits thereto) is attached as Annex A to this Supplement No. 1.

### **Clarification Regarding the FINRA Estimated Per Share Value**

As described in the section Plan of Distribution FINRA Estimated Per Share Value of the Prospectus, the Company calculated the estimated value of the Series A Preferred Stock as of December 31, 2017 by dividing (i) the fair values of the Company s investments in real estate and certain lending assets and the carrying amounts of the Company s other assets less the carrying amounts of the Company s liabilities, in each case as of December 31, 2017, by (ii) the number of shares of Series A Preferred Stock outstanding as of that date.

The terms of the Series A Preferred Stock expressly provide that the amount that a holder of Series A Preferred Stock would be entitled to receive upon the redemption of the Series A Preferred Stock or the liquidation of the Company would be equal to the stated value of the Series A Preferred Stock (i.e., \$25.00 per share), plus all accumulated, accrued and unpaid dividends thereon (the Maximum Value ), subject to any applicable redemption fee in the case of a redemption by such holder. As a result, in no event would a holder of Series A Preferred Stock be entitled to receive an amount greater than the Maximum Value upon the redemption of such shares or the liquidation of the Company.

Accordingly, although the estimated value of the Series A Preferred Stock, calculated based on the fair market values of the assets and liabilities of the Company as described above, exceeded the Maximum Value, the Company determined that the estimated value of the Series A Preferred Stock, as of December 31, 2017, was equal to the Maximum Value, or \$25.00 per share, plus accrued and unpaid dividends.

### **Extension of the Offering**

The Prospectus provided for an initial offering period through June 28, 2018, subject to extension through June 28, 2019 in the Company s sole discretion. The Company has determined to extend the offering through June 28, 2019, subject to the right of the Company to terminate the offering at any time prior to June 28, 2019.

### Form 8-K

On May 10, 2018, the Company filed with the United States Securities and Exchange Commission a Current Report on Form 8-K, which is attached as Annex B to this Supplement No. 1.

Annex A

## **UNITED STATES**

## SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

# **FORM 10-Q**

| (Mark | One): |
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# QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2018

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** 

## CIM COMMERCIAL TRUST CORPORATION

(Exact name of registrant as specified in its charter)

Maryland (State or other jurisdiction of incorporation or organization) 17950 Preston Road, Suite 600, Dallas, TX 75252 (Address of principal executive offices) 75-6446078 (I.R.S. Employer Identification No.) (972) 349-3200 (Registrant s telephone number)

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 x NO o

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 x NO o

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

| Large accelerated filer O   | Accelerated filer O       | Non-accelerated filer O                       |
|-----------------------------|---------------------------|---|
| Smaller reporting company X | Emerging growth company O | (Do not check if a smaller reporting company) |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. O

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

As of May 4, 2018, the Registrant had outstanding 43,795,073 shares of common stock, par value \$0.001 per share.

### CIM COMMERCIAL TRUST CORPORATION AND SUBSIDIARIES

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### PART I

**Financial Information** 

Item 1.

**Financial Statements** 

A-1

### CIM COMMERCIAL TRUST CORPORATION AND SUBSIDIARIES

### **Consolidated Balance Sheets**

### (In thousands, except share and per share data)

| ASSETS     Unaudited)       Investments in real estate, net     \$     1,085,165     \$     957,725       Cash and cash equivalents     39,383     129,310       Restricted cash     30,311     27,008       Loans receivable, net     70,601     81,056       Accounts receivable, net     10,689     13,627       Deferred rent receivable and charges, net     86,001     84,748       Other intangible assets, net     22,675     36,533       Other assets     2,2,675     36,533       TOTAL ASSETS     \$     1,330,848     1,336,388       LIABILITIES, REDEEMABLE PREFERRED STOCK, AND EQUITY     IABILITIES,     6       Loans receivable inabilities, net     4,349     1,000       Due to related parties     9,640     8,814       Other inabilities, net     9,640     8,814       Other liabilities     14,610     14,629       Total liabilities     12,25,714     688,721       S0,000,000 shares authorized', 1,533,088 and 1,225,714 and 1,224,712     34,928     27,924       EQUITY     E     27,924     27,924 <th></th> <th>March 31, 2018</th> <th></th> <th>December 31, 2017</th>   |   | March 31, 2018  |    | December 31, 2017 |
|---|---|-----------------|----|-------------------|
| Investments in real estate, net     \$     1,085,165     \$     957,725       Cash and cash equivalents     39,883     129,310       Loans receivable, net     30,311     27,008       Accounts receivable, net     10,689     13,627       Deferred rent receivable and charges, net     86,001     84,748       Other intangible assets, net     22,675     36,533       TOTAL ASSETS     \$     1,357,984     \$     1,336,388       LABILITIES:      22,675     36,633       Construction of the sets     22,675     36,633     3,31       Accounts payable and accrued expenses     28,715     26,394     1,336,388       Intangible liabilities, net     4,349     1,070     0       Due to related parties     9,640     8,814     3,627       Other liabilities     698,571     681,759     681,759       COMMITMENTS AND CONTINGENCIES (Note 15)     7     7     681,759       Sof00000 shares authorized; 1,533,088 and 1,531,408 shares issued and outstanding, respectively, at March 31, 2018 and 1,222,712     shares issued and outstanding, respectitiely, at March 31, 2018 and 1,222,712 <td< th=""><th></th><th>(Unau</th><th></th></td<>  |   | (Unau           |    |                   |
| Cash and cash equivalents39,883129,310Restricted cash30,31127,008Loans receivable, net70,69181,056Accounts receivable, net10,68913,627Deferred rent receivable and charges, net86,00184,748Other intangible assets, net22,67536,533OTAL ASSETS\$1,357,984\$LABLITTES;\$1,357,984\$Debt, net\$641,257\$Accounts payable and accrued expenses28,71526,394Intangible liabilities, net4,3491,070Due to related parties9,6408,814Other liabilities14,61014,629Total LabsZ698,571681,759COMMITMENTS AND CONTINGENCIES (Note 15)698,571681,759REDEEMABLE PREFERRED STOCK: Series A, 50,001 par value;36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued and34,92827,924ZOMITMENTS AND CONTINGENCIES (Note 15)E222REDEEMABLE PREFERRED STOCK: Series A, 50,001 par value;36,000,008 shares authorized; 1,46,981 and 13,431 shares issued and34,92827,924ZOUTTY:Series A cumulative redeemable preferred stock, S0,001 par value;3,5681,508Series A cumulative redeemable preferred stock, S0,001 par value;3,5681,508Softadion preference of \$25.00 per share, subject to adjustment3,5681,508Series A cumulative redeemable preferred stock, S0,001 par value;3,5681,508Series A cumulative redeemable pre   | ASSETS  |                 |    |                   |
| Restricted cash 30,311 27,008<br>Loans receivable, net 70,691 81,056<br>Accounts receivable and charges, net 10,689 13,627<br>Deferred rent receivable and charges, net 86,001 84,748<br>Hother intangible assets, net 22,675 36,533<br>Other assets 22,675 36,533<br>TOTA LASSETS 5 1,357,984 \$ 1,336,388<br>Uther assets 22,675 36,533<br>TOTA LASSETS 5 1,357,984 \$ 1,336,388<br>CACOUNTS payable and accrued expenses 28,715 26,394<br>Intangible liabilities, net 4,349 1,070<br>Due to related parties 9,6640 8,814<br>Other liabilities, net 9,6640 8,814<br>Other liabilities 14,610 14,629<br>Total liabilities 698,571 681,759<br>COMMITMENTS AND CONTINGENCIES (Note 15)<br>REDEEMABLE PREFERRED STOCK, series A, 50,001 par value;<br>36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued and<br>outstanding, respectively, at March 31, 2018 and 1,224,712<br>shares issued and outstanding, respectively, at December 31, 2017;<br>liquidation preference of \$25.00 per share, subject to adjustment 34,928 27,924<br>EQUITY:<br>Series A cumulative redeemable preferred stock, \$0,001 par value;<br>36,000,000 shares authorized; 1,4698 and 14,353 and 60,592 shares<br>issued and outstanding, respectively, at March 31, 2018 and 61,435 and 60,592 shares<br>issued and outstanding ares expectively at March 31, 2018 and 61,435 and 60,592 shares<br>issued and outstanding ares authorized; 124,698 and 143,433 shares issued and<br>outstanding, respectively, at March 31, 2018 and 61,435 and 60,592 shares<br>issued and outstanding ares authorized; 124,698 and 143,433 shares issued and<br>outstanding, respectively, at March 31, 2018 and 61,435 and 60,592 shares<br>issued and outstanding ares authorized; 124,698 and 143,433 shares issued and<br>outstanding, respectively, at March 31, 2018 and 61,435 and 60,592 shares<br>issued and outstanding ares authorized; 124,698 and 143,433<br>there is authorized; 12 | Investments in real estate, net   | \$<br>1,085,165 | \$ | 957,725           |
| Loans receivable, net     70,691     81,056       Accounts receivable, net     10,689     13,627       Deferred rent receivable and charges, net     86,001     84,748       Other intangible assets, net     12,569     6,381       Other assets     22,675     36,533       TOTAL ASSETS     \$ 1,357,984     \$ 1,336,388       LABILITIES:      28,715     26,394       Intangible libilities, net     4,349     1,007       Due to related parties     9,640     8,814       Other libilities     641,257     \$ 630,852       Accounts payable and accrued expenses     28,715     26,394       Intangible libilities     4,349     1,070       Due to related parties     9,640     8,814       Other liabilities     698,571     661,529       COMMITMENTS AND CONTINGENCIES (Note 15)     5     5       REDEEMABLE PREFERRED STOCK: Scries A, \$0,001 par value;     36,000,000 shares authorized; 1,531,408 shares issued and     outstanding, respectively, at March 31, 2018 and 1,225,734 and 1,224,712       share issued and outstanding, respectively, at December 31, 2017;     Iiquidation preference of \$25.00 per share,   | Cash and cash equivalents   | 39,883          |    | 129,310           |
| Accounts receivable, net     10,689     13,627       Deferred rent receivable and charges, net     86,001     84,748       Other intangible assets, net     12,569     6,381       Other assets     22,675     36,533       TOTAL ASSETS     \$     1,357,984     \$     1,336,388       LIABILITIES:       26,640     88,715     26,394       Intagible iabilities, net     4,349     1,070     14,610     14,629       Total LASSETS     698,571     681,759     681,759     698,571     681,759       CoMMITMENTS AND CONTINGENCIES (Note 15)      698,571     681,759     600,000 shares authorized; 1,530,088 and 1,531,408 shares issued and outstanding, respectively, at March 31, 2018 and 1,225,734 and 1,224,712     shares issued and outstanding, respectively, at March 31, 2018 and 61,425,734 and 1,224,712     shares authorized; 144,698 and 143,433 shares issued and outstanding, respectively, at March 31, 2018 and 61,435 and 60,592 shares issued and outstanding, respectively, at March 31, 2018 and 61,435 and 60,592 shares issued and outstanding at March 31, 2018 and 61,435 and 60,592 shares issued and outstanding at 8,800,900,000 shares authorized; 18,000,100 rule; 9,000,000 s   | Restricted cash   | 30,311          |    | 27,008            |
| Deferred rent receivable and charges, net     86,001     84,748       Other intangible assets, net     12,569     6,381       Other assets     22,675     36,533       TOTAL ASSETS     \$ 1,357,984     \$ 1,336,388       LIABILITIES, REDEEMABLE PREFERRED STOCK, AND EQUITY   | Loans receivable, net   | 70,691          |    | 81,056            |
| Other intangible assets, net     12,569     6,381       Other assets     22,675     36,533       TOTAL ASSETS     \$ 1,357,984     \$ 1,336,388       LIABILITIES, REDEEMABLE PREFERRED STOCK, AND EQUITY         LIABILITIES:     28,715     \$ 630,852       Debt, net     \$ 641,257     \$ 630,852       Accounts payable and accrued expenses     28,715     \$ 26,394       Intangible liabilities, net     4,349     1,070       Due to related partics     9,640     \$ 8,814       Other liabilities     14,610     14,629       Total liabilities     698,571     681,759       COMMITTMENTS AND CONTINGENCIES (Note 15)         REDEEMABLE PREFERRED STOCK: Series A, 50,001 par value;     36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued and outstanding, respectively, at Dacember 31, 2017;        liquidation preference of \$ 25,00 per share, subject to adjustment     34,928     27,924       EQUITY:          Series A cumulative redeemable preferred stock, \$0,001 par value;         36,000,000 shares authorized; 1,44,698 and 14,3433 shares issued and outstanding, respec   | Accounts receivable, net  | 10,689          |    | 13,627            |
| Other assets22,67536,533TOTAL ASSETS\$1,357,984\$1,336,388LIABILITIES, REDEEMABLE PREFERRED STOCK, AND EQUITYUABILITIES2222Debt, net\$641,257\$630,852Accounts payable and accrued expenses28,71526,5341,870Due to related parties9,6408,8144,4391,070Due to related parties9,6408,8144,61014,629Other liabilities14,61014,629681,75926,534COMMITMENTS AND CONTINGENCIES (Note 15)698,571681,759681,759COMMITMENTS AND CONTINGENCIES (Note 15)827,92427,924REDEEMABLE PREFERRED STOCK: Series A, \$0,001 par value;34,92827,924S6,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued and outstanding, respectively, at December 31, 2017;34,92827,924Iquidation preference of \$25.00 per share, subject to adjustment34,92827,924Series A cumulative redeemable preferred stock, \$0,001 par value;3,5681,508Series L cumulative redeemable preferred stock, \$0,001 par value;9,000,000 shares authorized; 144,698 and 143,435 and 60,592 shares3,5681,508Series L cumulative redeemable preferred stock, \$0,001 par value;9,000,000 shares authorized; 8,00740 shares issued and outstanding at March 31, 2018 and I,225,737229,251229,251Per share, subject to adjustment229,251229,251229,251Common stock, \$0,001 par value; 90,000,000 shares a   | Deferred rent receivable and charges, net                                 | 86,001          |    | 84,748            |
| S   1,357,984   S   1,336,388     LIABILITIES, REDEEMABLE PREFERED STOCK, AND EQUITY   Image   Image <t< td=""><td>Other intangible assets, net</td><td>12,569</td><td></td><td>6,381</td></t<>   | Other intangible assets, net  | 12,569          |    | 6,381             |
| LIABILITIES:Debt, net\$641.257\$630.852Accounts payable and accrued expenses28,71526,394Intangible liabilities, net4,3491,070Due to related parties9,6408,814Other liabilities14,61014,629Total liabilities698,571681,759COMMITMENTS AND CONTINGENCIES (Note 15)698,571681,759REDEEMABLE PREFERED STOCK: Series A, \$0.001 par value;36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued andoutstanding, respectively, at March 31, 2018 and 1,224,712shares issued and outstanding, respectively, at March 31, 2018 and 1,224,71234,92827,924EQUITY:Series A cumulative redeemable preferred stock, \$0.001 par value;36,000,000 shares authorized; 1,44,698 and 143,433 shares issued anduutstanding, respectively, at March 31, 2018 and 61,435 and 60,592 sharessisued and outstanding, respectively, at March 31, 2017; liquidationpreference of \$25.00 per share, subject to adjustment3,5681,508Series A cumulative redeemable preferred stock, \$0.001 par value;3,0681,5081,508Series L cumulative redeemable preferred stock, \$0.001 par value;9,000,000 shares authorized; 1,41,698 and 143,433 shares issued and1,508Series L cumulative redeemable preferred stock, \$0.001 par value;9,000,000 shares authorized; 1,41,698 and 143,433 shares issued and229,25120,000,000 shares authorized; 8,080,740 shares issued and outstanding atMarch 31, 2018 and December 31, 2017; liquidation preference of \$2.5,00 per share, subject to adjustment229,25120   | Other assets  | 22,675          |    | 36,533            |
| LIABILITTES:   9   641,257   \$   630,852     Accounts payable and accrued expenses   28,715   26,394     Intangible liabilities, net   4,349   1,070     Due to related parties   9,640   8,814     Other liabilities   14,610   14,629     Total liabilities   698,571   681,759     COMMITMENTS AND CONTINGENCIES (Note 15)   8   8     REDEEMABLE PREFERRED STOCK: Series A, \$0,001 par value;   36,000,000 shares authorized; 1,533,088 and 1,223,734 and 1,224,712   8     shares sissued and outstanding, respectively, at March 31, 2018 and 1,225,734 and 1,224,712   8   27,924     EQUITY:   Series A cumulative redeemable preferred stock, \$0.001 par value;   36,000,000 shares authorized; 14,4698 and 143,433 shares issued and   34,928   27,924     EQUITY:   Series A cumulative redeemable preferred stock, \$0.001 par value;   3,568   1,508     Series A cumulative redeemable preferred stock, \$0.001 par value;   9,000,000 shares authorized; 1,46,983 and 1,435 and 60,592 shares   1,508     Series L cumulative redeemable preferred stock, \$0.001 par value;   9,000,000 shares authorized; 8,807,40 shares issued and outstanding at   March 31, 2018 and December 31, 2017, liquidation preference of \$28,37   29,251   229,251 <td>TOTAL ASSETS</td> <td>\$<br/>1,357,984</td> <td>\$</td> <td>1,336,388</td>   | TOTAL ASSETS  | \$<br>1,357,984 | \$ | 1,336,388         |
| Debt, net\$641,257\$630,852Accounts payable and accrued expenses28,71526,394Intangible liabilities, net4,3491,070Due to related parties9,6408,814Other liabilities14,61014,629Total liabilities14,61014,629COMMITWENTS AND CONTINGENCIES (Note 15)88,711698,571REDEEMABLE PREFERRED STOCK: Series A, \$0,001 par value;36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued and34,928Outstanding, respectively, at March 31, 2018 and 1,225,734 and 1,224,71234,92827,924shares issued and outstanding, respectively, at December 31, 2017;11liquidation preference of \$25.00 per share, subject to adjustment34,92827,924EQUITY:Series A cumulative redeemable preferred stock, \$0,001 par value;3,5681,508Series A cumulative redeemable preferred stock, \$0,001 par value;9,000,000 shares authorized; 144,698 and 143,433 shares issued and3,5681,508Series L cumulative redeemable preferred stock, \$0,001 par value;9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and Becember 31, 2017; liquidation<br>preference of \$25.00 per share, subject to adjustment3,5681,508Series L cumulative redeemable preferred stock, \$0,001 par value;9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$22,37229,251229,251Per share, subject to adjustment2,28,1444444444Additi  | LIABILITIES, REDEEMABLE PREFERRED STOCK, AND EQUITY                       |                 |    |                   |
| Accounts payable and accrued expenses28,71526,394Intangible liabilities, net4,3491,070Due to related parties9,6408,814Other liabilities14,61014,629Total liabilities698,571681,759COMMITMENTS AND CONTINGENCIES (Note 15)7681,759REDEEMABLE PREFERRED STOCK: Series A, \$0,001 par value;<br>36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued and<br>outstanding, respectively, at March 31, 2018 and 1,225,734 and 1,224,712<br>shares issued and outstanding, respectively, at December 31, 2017;<br>liquidation preference of \$25.00 per share, subject to adjustment34,92827,924EQUITY:22222Series A cumulative redeemable preferred stock, \$0,001 par value;<br>36,000,000 shares authorized; 14,698 and 143,433 shares issued and<br>outstanding, respectively, at December 31, 2017; liquidation<br>preference of \$25.00 per share, subject to adjustment3,5681,508Series A cumulative redeemable preferred stock, \$0,001 par value;<br>9,000,000 shares authorized; 14,698 and 143,433 shares issued and<br>outstanding, respectively, at December 31, 2017; liquidation<br>preference of \$25.00 per share, subject to adjustment3,5681,508Series L cumulative redeemable preferred stock, \$0,001 par value;<br>9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment229,251229,251Common stock, \$0,001 par value; 90,000,000 shares authorized;<br>43,784,393 shares issued and outstanding at March 31, 2018 and<br>December 31, 20174444Additional paid   | LIABILITIES:  |                 |    |                   |
| Intangible liabilities, net4,3491,070Due to related parties9,6408,814Other liabilities14,61014,629Otal liabilities698,571681,759COMMITMENTS AND CONTINGENCIES (Note 15)698,571681,759REDEEMABLE PREFERED STOCK: Series A, \$0.001 par value;36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued andoutstanding, respectively, at March 31, 2018 and 1,225,734 and 1,224,712shares issued and outstanding, respectively, at December 31, 2017;34,92827,924Iquidation preference of \$25.00 per share, subject to adjustment34,92827,924EQUITY:Series A cumulative redeemable preferred stock, \$0.001 par value;36,000,000 shares authorized; 1,44,698 and 143,433 shares issued and34,92827,92490,000,000 shares authorized; 1,2017; liquidationgreference of \$25.00 per share, subject to adjustment3,5681,508Series A cumulative redeemable preferred stock, \$0.001 par value;90,000,000 shares authorized; 8,080,740 shares issued and3,5681,508Series L cumulative redeemable preferred stock, \$0.001 par value;90,000,00 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$25.00 per share, subject to adjustment2,29,251229,251Common stock, \$0.001 par value; 900,000,000 shares authorized; 4,3784,398 shares issued and outstanding at March 31, 2018 and<br>December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment229,251229,251Common stock, \$0.001 par value; 900,000,000 shares authorized;<br>43,784,398 shares issued and ou   | Debt, net   | \$<br>641,257   | \$ | 630,852           |
| Due to related parties9,6408,814Other liabilities14,61014,629Total liabilities698,571681,759COMMITMENTS AND CONTINGENCIES (Note 15)698,571681,759REDEEMABLE PREFERRED STOCK: Series A, \$0.001 par value;<br>36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued and<br>outstanding, respectively, at March 31, 2018 and 1,224,7125shares issued and outstanding, respectively, at December 31, 2017;<br>liquidation preference of \$25.00 per share, subject to adjustment34,92827,924EQUITY:Series A cumulative redeemable preferred stock, \$0.001 par value;<br>36,000,000 shares authorized; 144,698 and 143,433 shares issued and<br>outstanding, respectively, at March 31, 2018 and 61,435 and 60,592 shares<br>issued and outstanding, respectively, at December 31, 2017; liquidation<br>preference of \$25.00 per share, subject to adjustment3,5681,508Series A cumulative redeemable preferred stock, \$0.001 par value;<br>9,000,000 shares authorized; 8,080,740 shares issued and<br>outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment229,251229,251Common stock, \$0.001 par value; 900,000,000 shares authorized;<br>43,784,939 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment229,251229,251Common stock, \$0.001 par value; 900,000,000 shares authorized;<br>43,784,939 shares issued and outstanding at March 31, 2018 and<br>December 31, 20174444Additional paid-in capital792,512792,631Accumulated other comprehensive income2,8141,631 <t< td=""><td>Accounts payable and accrued expenses</td><td>28,715</td><td></td><td>26,394</td></t<>  | Accounts payable and accrued expenses                                     | 28,715          |    | 26,394            |
| Other liabilities14,61014,629Total liabilities698,571681,759COMMITMENTS AND CONTINGENCIES (Note 15)698,571681,759REDEEMABLE PREFERRED STOCK: Series A, \$0.001 par value;<br>36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued and<br>outstanding, respectively, at March 31, 2018 and 1,225,734 and 1,224,712<br>shares issued and outstanding, respectively, at December 31, 2017;<br>liquidation preference of \$25.00 per share, subject to adjustment34,92827,924EQUITY:Series A cumulative redeemable preferred stock, \$0.001 par value;<br>36,000,000 shares authorized; 144,698 and 143,433 shares issued and<br>outstanding, respectively, at December 31, 2017;<br>liquidation<br>preference of \$25.00 per share, subject to adjustment3,5681,508Series A cumulative redeemable preferred stock, \$0.001 par value;<br>9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$22.500 per share, subject to adjustment3,5681,508Series L cumulative redeemable preferred stock, \$0.001 par value;<br>9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$22.51229,251229,251Common stock, \$0.001 par value; 900,000,000 shares authorized;<br>  | Intangible liabilities, net   | 4,349           |    | 1,070             |
| Total liabilities698,571681,759COMMITMENTS AND CONTINGENCIES (Note 15)REDEEMABLE PREFERED STOCK: Series A, \$0.001 par value;<br>36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued and<br>outstanding, respectively, at March 31, 2018 and 1,225,734 and 1,224,712<br>shares issued and outstanding, respectively, at December 31, 2017;<br>liquidation preference of \$25.00 per share, subject to adjustment34,92827,924EQUITY:<br>Series A cumulative redeemable preferred stock, \$0.001 par value;<br>36,000,000 shares authorized; 144,698 and 143,433 shares issued and<br>outstanding, respectively, at March 31, 2018 and 61,435 and 60,592 shares<br>issued and outstanding, respectively, at December 31, 2017; liquidation<br>preference of \$25.00 per share, subject to adjustment3,5681,508Series A cumulative redeemable preferred stock, \$0.001 par value;<br>9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment229,251229,2519,000,000 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment229,251229,251229,251229,251229,251229,2519,000,000 shares issued and outstanding at March 31, 2018 and<br>December 31, 20174444444444444ditional paid-in capital792,512792,631Accumulated other comprehensive income2,8141,6311631,20310 istributions in excess of earnings(404,598)(399,250)   | Due to related parties  | 9,640           |    | 8,814             |
| COMMITMENTS AND CONTINGENCIES (Note 15)REDEEMABLE PREFERRED STOCK: Series A, \$0.001 par value;36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued andoutstanding, respectively, at March 31, 2018 and 1,225,734 and 1,224,712shares issued and outstanding, respectively, at December 31, 2017;liquidation preference of \$25.00 per share, subject to adjustment34,92827,924EQUITY:Series A cumulative redeemable preferred stock, \$0.001 par value;36,000,000 shares authorized; 144,698 and 143,433 shares issued andoutstanding, respectively, at March 31, 2018 and 61,435 and 60,592 sharesissued and outstanding, respectively, at December 31, 2017; liquidationpreference of \$25.00 per share, subject to adjustment3,5681,508Series L cumulative redeemable preferred stock, \$0.001 par value;9,000,000 shares authorized; 8,080,740 shares issued and outstanding atMarch 31, 2018 and December 31, 2017; liquidation preference of \$28.37per share, subject to adjustment229,251229,251Common stock, \$0.001 par value; 900,000,000 shares authorized;43,784,939 shares issued and outstanding at March 31, 2018 andDecember 31, 20174444Additional paid-in capital792,512792,631Accumulated other comprehensive income2,8141,631Distributions in excess of earnings(404,598)(399,250)   | Other liabilities   | 14,610          |    | 14,629            |
| REDEEMABLE PREFERRED STOCK: Series A, \$0.001 par value;36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued andoutstanding, respectively, at March 31, 2018 and 1,225,734 and 1,224,712shares issued and outstanding, respectively, at December 31, 2017;liquidation preference of \$25.00 per share, subject to adjustment34,92827,924EQUITY:Series A cumulative redeemable preferred stock, \$0.001 par value;36,000,000 shares authorized; 144,698 and 143,433 shares issued andoutstanding, respectively, at March 31, 2018 and 61,435 and 60,592 sharesissued and outstanding, respectively, at December 31, 2017; liquidationpreference of \$25.00 per share, subject to adjustment3,5681,508Series L cumulative redeemable preferred stock, \$0.001 par value;9,000,000 shares authorized; 8,080,740 shares issued and outstanding atMarch 31, 2018 and December 31, 2017; liquidation preference of \$28.37per share, subject to adjustment229,251229,251Common stock, \$0.001 par value; 900,000,000 shares authorized;43,784,939 shares issued and outstanding at March 31, 2018 andDecember 31, 2017444444Additional paid-in capital792,512792,631Accumulated other comprehensive income2,8141,631Distributions in excess of earnings(404,598)(339,250)  | Total liabilities   | 698,571         |    | 681,759           |
| 36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued and<br>outstanding, respectively, at March 31, 2018 and 1,225,734 and 1,224,712<br>shares issued and outstanding, respectively, at December 31, 2017;<br>liquidation preference of \$25.00 per share, subject to adjustment 34,928 27,924<br>EQUITY:<br>Series A cumulative redeemable preferred stock, \$0.001 par value;<br>36,000,000 shares authorized; 144,698 and 143,433 shares issued and<br>outstanding, respectively, at March 31, 2018 and 61,435 and 60,592 shares<br>issued and outstanding, respectively, at December 31, 2017; liquidation<br>preference of \$25.00 per share, subject to adjustment 3,568 1,508<br>Series L cumulative redeemable preferred stock, \$0.001 par value;<br>9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment 229,251 229,251<br>Common stock, \$0.001 par value; 900,000,000 shares authorized;<br>43,784,939 shares issued and outstanding at March 31, 2018 and<br>December 31, 2017 44 44<br>Additional paid-in capital 792,512 792,631<br>Distributions in excess of earnings (404,598) (399,250)  | COMMITMENTS AND CONTINGENCIES (Note 15)                                   |                 |    |                   |
| outstanding, respectively, at March 31, 2018 and 1,225,734 and 1,224,712shares issued and outstanding, respectively, at December 31, 2017;34,928Iquidation preference of \$25.00 per share, subject to adjustment34,928EQUITY:Series A cumulative redeemable preferred stock, \$0.001 par value;36,000,000 shares authorized; 144,698 and 143,433 shares issued andoutstanding, respectively, at March 31, 2018 and 61,435 and 60,592 sharesissued and outstanding, respectively, at December 31, 2017; liquidationpreference of \$25.00 per share, subject to adjustment3,5681,508Series L cumulative redeemable preferred stock, \$0.001 par value;9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment229,251229,251229,251Common stock, \$0.001 par value; 900,000,000 shares authorized;4443,784,939 shares issued and outstanding at March 31, 2018 and<br>December 31, 2017444444Additional paid-in capital792,512792,631Accumulated other comprehensive income2,8141,631Distributions in excess of earnings(404,598)(399,250)   | REDEEMABLE PREFERRED STOCK: Series A, \$0.001 par value;                  |                 |    |                   |
| shares issued and outstanding, respectively, at December 31, 2017;liquidation preference of \$25.00 per share, subject to adjustment34,92827,924EQUITY:Series A cumulative redeemable preferred stock, \$0.001 par value;36,000,000 shares authorized; 144,698 and 143,433 shares issued and<br>outstanding, respectively, at March 31, 2018 and 61,435 and 60,592 shares<br>issued and outstanding, respectively, at December 31, 2017; liquidation<br>preference of \$25.00 per share, subject to adjustment3,5681,508Series L cumulative redeemable preferred stock, \$0.001 par value;<br>9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment229,251229,251Common stock, \$0.001 par value; 900,000,000 shares authorized;<br>43,784,939 shares issued and outstanding at March 31, 2018 and<br>December 31, 20174444Additional paid-in capital792,512792,631Accumulated other comprehensive income2,8141,631Distributions in excess of earnings(404,598)(399,250)   | 36,000,000 shares authorized; 1,533,088 and 1,531,408 shares issued and   |                 |    |                   |
| liquidation preference of \$25.00 per share, subject to adjustment34,92827,924EQUITY:Series A cumulative redeemable preferred stock, \$0.001 par value;36,000,000 shares authorized; 144,698 and 143,433 shares issued andoutstanding, respectively, at March 31, 2018 and 61,435 and 60,592 sharesissued and outstanding, respectively, at December 31, 2017; liquidationpreference of \$25.00 per share, subject to adjustment3,5689,000,000 shares authorized; 8,080,740 shares issued and outstanding atMarch 31, 2018 and December 31, 2017; liquidation preference of \$28.37per share, subject to adjustment229,251229,251229,251Common stock, \$0.001 par value; 900,000,000 shares authorized;43,784,939 shares issued and outstanding at March 31, 2018 andDecember 31, 20174444Additional paid-in capital792,512Accumulated other comprehensive income2,814Distributions in excess of earnings(404,598)  | outstanding, respectively, at March 31, 2018 and 1,225,734 and 1,224,712  |                 |    |                   |
| EQUITY:Series A cumulative redeemable preferred stock, \$0.001 par value;36,000,000 shares authorized; 144,698 and 143,433 shares issued andoutstanding, respectively, at March 31, 2018 and 61,435 and 60,592 sharesissued and outstanding, respectively, at December 31, 2017; liquidationpreference of \$25.00 per share, subject to adjustment3,5681,508Series L cumulative redeemable preferred stock, \$0.001 par value;9,000,000 shares authorized; 8,080,740 shares issued and outstanding atMarch 31, 2018 and December 31, 2017; liquidation preference of \$28.37per share, subject to adjustment229,251Common stock, \$0.001 par value; 900,000,000 shares authorized;43,784,939 shares issued and outstanding at March 31, 2018 andDecember 31, 201744Additional paid-in capitalAccumulated other comprehensive income2,8140,890,250)  | shares issued and outstanding, respectively, at December 31, 2017;        |                 |    |                   |
| Series A cumulative redeemable preferred stock, \$0.001 par value;36,000,000 shares authorized; 144,698 and 143,433 shares issued andoutstanding, respectively, at March 31, 2018 and 61,435 and 60,592 sharesissued and outstanding, respectively, at December 31, 2017; liquidationpreference of \$25.00 per share, subject to adjustment3,568Series L cumulative redeemable preferred stock, \$0.001 par value;9,000,000 shares authorized; 8,080,740 shares issued and outstanding atMarch 31, 2018 and December 31, 2017; liquidation preference of \$28.37per share, subject to adjustment229,251Common stock, \$0.001 par value; 900,000,000 shares authorized;43,784,939 shares issued and outstanding at March 31, 2018 andDecember 31, 201744Additional paid-in capital792,512Accumulated other comprehensive income2,814Distributions in excess of earnings(404,598)   | liquidation preference of \$25.00 per share, subject to adjustment        | 34,928          |    | 27,924            |
| Series A cumulative redeemable preferred stock, \$0.001 par value;36,000,000 shares authorized; 144,698 and 143,433 shares issued andoutstanding, respectively, at March 31, 2018 and 61,435 and 60,592 sharesissued and outstanding, respectively, at December 31, 2017; liquidationpreference of \$25.00 per share, subject to adjustment3,568Series L cumulative redeemable preferred stock, \$0.001 par value;9,000,000 shares authorized; 8,080,740 shares issued and outstanding atMarch 31, 2018 and December 31, 2017; liquidation preference of \$28.37per share, subject to adjustment229,251Common stock, \$0.001 par value; 900,000,000 shares authorized;43,784,939 shares issued and outstanding at March 31, 2018 andDecember 31, 201744Additional paid-in capital792,512Accumulated other comprehensive income2,814Distributions in excess of earnings(404,598)   | EQUITY:   |                 |    |                   |
| 36,000,000 shares authorized; 144,698 and 143,433 shares issued and<br>outstanding, respectively, at March 31, 2018 and 61,435 and 60,592 shares<br>issued and outstanding, respectively, at December 31, 2017; liquidation<br>preference of \$25.00 per share, subject to adjustment 3,568 1,508<br>Series L cumulative redeemable preferred stock, \$0.001 par value;<br>9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment 229,251 229,251<br>Common stock, \$0.001 par value; 900,000,000 shares authorized;<br>43,784,939 shares issued and outstanding at March 31, 2018 and<br>December 31, 2017 44 44<br>Additional paid-in capital 792,512 792,631<br>Accumulated other comprehensive income 2,814 1,631<br>Distributions in excess of earnings (399,250)  |   |                 |    |                   |
| issued and outstanding, respectively, at December 31, 2017; liquidation<br>preference of \$25.00 per share, subject to adjustment 3,568 1,508<br>Series L cumulative redeemable preferred stock, \$0.001 par value;<br>9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment 229,251 229,251<br>Common stock, \$0.001 par value; 900,000,000 shares authorized;<br>43,784,939 shares issued and outstanding at March 31, 2018 and<br>December 31, 2017 44 44<br>Additional paid-in capital 792,512 792,631<br>Accumulated other comprehensive income 2,814 1,631<br>Distributions in excess of earnings (404,598) (399,250)  |   |                 |    |                   |
| issued and outstanding, respectively, at December 31, 2017; liquidation<br>preference of \$25.00 per share, subject to adjustment 3,568 1,508<br>Series L cumulative redeemable preferred stock, \$0.001 par value;<br>9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment 229,251 229,251<br>Common stock, \$0.001 par value; 900,000,000 shares authorized;<br>43,784,939 shares issued and outstanding at March 31, 2018 and<br>December 31, 2017 44 44<br>Additional paid-in capital 792,512 792,631<br>Accumulated other comprehensive income 2,814 1,631<br>Distributions in excess of earnings (404,598) (399,250)  | outstanding, respectively, at March 31, 2018 and 61,435 and 60,592 shares |                 |    |                   |
| preference of \$25.00 per share, subject to adjustment3,5681,508Series L cumulative redeemable preferred stock, \$0.001 par value;9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment229,251229,251Common stock, \$0.001 par value; 900,000,000 shares authorized;<br>43,784,939 shares issued and outstanding at March 31, 2018 and<br>December 31, 20174444Additional paid-in capital792,512792,631Accumulated other comprehensive income2,8141,631Distributions in excess of earnings(404,598)(399,250)   | issued and outstanding, respectively, at December 31, 2017; liquidation   |                 |    |                   |
| Series L cumulative redeemable preferred stock, \$0.001 par value;9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment229,251229,251229,251Common stock, \$0.001 par value; 900,000 shares authorized;<br>43,784,939 shares issued and outstanding at March 31, 2018 and<br>December 31, 201744Additional paid-in capital792,512Accumulated other comprehensive income2,814Distributions in excess of earnings(404,598)(399,250)  |   | 3,568           |    | 1,508             |
| 9,000,000 shares authorized; 8,080,740 shares issued and outstanding at<br>March 31, 2018 and December 31, 2017; liquidation preference of \$28.37<br>per share, subject to adjustment 229,251 229,251<br>Common stock, \$0.001 par value; 900,000 shares authorized;<br>43,784,939 shares issued and outstanding at March 31, 2018 and<br>December 31, 2017 44 44<br>Additional paid-in capital 792,512 792,631<br>Accumulated other comprehensive income 2,814 1,631<br>Distributions in excess of earnings (404,598) (399,250)   |   |                 |    |                   |
| per share, subject to adjustment229,251229,251Common stock, \$0.001 par value; 900,000 shares authorized;<br>43,784,939 shares issued and outstanding at March 31, 2018 and<br>December 31, 20174444Additional paid-in capital792,512792,631Accumulated other comprehensive income2,8141,631Distributions in excess of earnings(404,598)(399,250)   |   |                 |    |                   |
| per share, subject to adjustment229,251229,251Common stock, \$0.001 par value; 900,000 shares authorized;<br>43,784,939 shares issued and outstanding at March 31, 2018 and<br>December 31, 20174444Additional paid-in capital792,512792,631Accumulated other comprehensive income2,8141,631Distributions in excess of earnings(404,598)(399,250)   | March 31, 2018 and December 31, 2017; liquidation preference of \$28.37   |                 |    |                   |
| Common stock, \$0.001 par value; 900,000,000 shares authorized;43,784,939 shares issued and outstanding at March 31, 2018 andDecember 31, 201744Additional paid-in capital792,512Accumulated other comprehensive income2,814Distributions in excess of earnings(404,598)(399,250)   |   | 229,251         |    | 229,251           |
| December 31, 2017     44     44       Additional paid-in capital     792,512     792,631       Accumulated other comprehensive income     2,814     1,631       Distributions in excess of earnings     (404,598)     (399,250)   | Common stock, \$0.001 par value; 900,000,000 shares authorized;           |                 |    |                   |
| December 31, 2017     44     44       Additional paid-in capital     792,512     792,631       Accumulated other comprehensive income     2,814     1,631       Distributions in excess of earnings     (404,598)     (399,250)   | 43,784,939 shares issued and outstanding at March 31, 2018 and            |                 |    |                   |
| Accumulated other comprehensive income2,8141,631Distributions in excess of earnings(404,598)(399,250)   |   | 44              |    | 44                |
| Accumulated other comprehensive income2,8141,631Distributions in excess of earnings(404,598)(399,250)   |   | 792,512         |    | 792,631           |
| Distributions in excess of earnings (404,598) (399,250)   |   |                 |    |                   |
|   |   |                 |    | (399,250)         |
|   | Total stockholders equity   | 623,591         |    |                   |

| Noncontrolling interests                           | 894             | 890             |
|--|-----------------|-----------------|
| Total equity                                       | 624,485         | 626,705         |
| TOTAL LIABILITIES, REDEEMABLE PREFERRED STOCK, AND |                 |                 |
| EQUITY   | \$<br>1,357,984 | \$<br>1,336,388 |

### CIM COMMERCIAL TRUST CORPORATION AND SUBSIDIARIES

### **Consolidated Statements of Operations**

(In thousands, except per share data)

|  |    | arch 31, |        |         |
|--|----|----------|--------|---------|
|  |    | 2018     |        | 2017    |
|  |    | (Unau    | dited) |         |
| REVENUES:  |    |          |        |         |
| Rental and other property income                           | \$ | 33,797   | \$     | 51,059  |
| Hotel income   |    | 9,689    |        | 9,750   |
| Expense reimbursements                                     |    | 1,609    |        | 3,030   |
| Interest and other income                                  |    | 3,303    |        | 3,110   |
|  |    | 48,398   |        | 66,949  |
| EXPENSES:  |    |          |        |         |
| Rental and other property operating                        |    | 18,020   |        | 22,960  |
| Asset management and other fees to related parties         |    | 6,211    |        | 8,700   |
| Interest   |    | 6,633    |        | 9,773   |
| General and administrative                                 |    | 3,376    |        | 1,679   |
| Transaction costs  |    |          |        | 13      |
| Depreciation and amortization                              |    | 13,148   |        | 17,231  |
|  |    | 47,388   |        | 60,356  |
| Gain on sale of real estate (Note 3)                       |    |          |        | 187,734 |
| INCOME BEFORE PROVISION FOR INCOME TAXES                   |    | 1,010    |        | 194,327 |
| Provision for income taxes                                 |    | 388      |        | 392     |
| NET INCOME   |    | 622      |        | 193,935 |
| Net income attributable to noncontrolling interests        |    | (4)      |        | (5)     |
| NET INCOME ATTRIBUTABLE TO THE COMPANY                     |    | 618      |        | 193,930 |
| Redeemable preferred stock dividends accumulated (Note 10) |    | (3,152)  |        |         |
| Redeemable preferred stock dividends declared (Note 10)    |    | (493)    |        | (31)    |
| Redeemable preferred stock redemptions (Note 10)           |    | 1        |        |         |
| NET (LOSS) INCOME AVAILABLE TO COMMON STOCKHOLDERS         | \$ | (3,026)  | \$     | 193,899 |
| NET (LOSS) INCOME AVAILABLE TO COMMON STOCKHOLDERS PER     |    |          |        |         |
| SHARE:   |    |          |        |         |
| Basic  | \$ | (0.07)   | \$     | 2.31    |
| Diluted  | \$ | (0.07)   | \$     | 2.31    |
| WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING:       |    |          |        |         |
| Basic  |    | 43,785   |        | 84,048  |
| Diluted  |    | 43,785   |        | 84,048  |
|  |    |          |        |         |

### CIM COMMERCIAL TRUST CORPORATION AND SUBSIDIARIES

### **Consolidated Statements of Comprehensive Income**

### (In thousands)

|   | Three Months Ended March 31, |       |        |         |  |  |  |  |
|---|------------------------------|-------|--------|---------|--|--|--|--|
|   |                              | 2017  |        |         |  |  |  |  |
|   |                              | (Unau | dited) |         |  |  |  |  |
| NET INCOME  | \$                           | 622   | \$     | 193,935 |  |  |  |  |
| Other comprehensive income: cash flow hedges                  |                              | 1,183 |        | 1,552   |  |  |  |  |
| COMPREHENSIVE INCOME  |                              | 1,805 |        | 195,487 |  |  |  |  |
| Comprehensive income attributable to noncontrolling interests |                              | (4)   |        | (5)     |  |  |  |  |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO THE COMPANY              | \$                           | 1,801 | \$     | 195,482 |  |  |  |  |



### CIM COMMERCIAL TRUST CORPORATION AND SUBSIDIARIES

**Consolidated Statements of Equity** 

(In thousands, except share and per share data)

|   | Common     | Sto | ck          | Seri    | Three Months Ended March 31<br>Preferred Stock<br>Series A Series L |       |           |    |                          |    | ,                                 |             | nulated |             |   |    |                     |    |                 |
|---|------------|-----|-------------|---------|---|-------|-----------|----|--------------------------|----|-----------------------------------|-------------|---------|-------------|---|----|---------------------|----|-----------------|
|   | Shares     |     | Par<br>alue | Shares  | А   | mount | Shares    | 1  | <b>Amount</b><br>(Unaudi |    | dditional<br>Paid-in (<br>Capital | Ot<br>Compr | ther    | Di<br>re in | stributions<br>1 Excess ofN<br>Earnings |    | ontrolli<br>terests |    | Total<br>Equity |
| Balances,<br>December 31,<br>2017   | 43,784,939 | \$  | 44          | 60,592  | \$  | 1,508 | 8,080,740 | \$ | 229 251                  | \$ | 792,631                           | \$          | 1,631   | \$          | (399,250)                               | \$ | 890                 | \$ | 626,705         |
| Stock-based<br>compensation<br>expense                                      | 15,701,959 | Ψ   |             | 00,372  | Ψ   | 1,500 | 0,000,710 | Ψ  | 229,231                  | Ψ  | 38                                | Ψ           | 1,001   | Ψ           | (377,230)                               | Ψ  | 070                 | Ψ  | 38              |
| Common<br>dividends (\$0.125<br>per share)<br>Issuance of                   |            |     |             |         |   |       |           |    |                          |    |                                   |             |         |             | (5,473)                                 |    |                     |    | (5,473)         |
| Series A<br>Preferred<br>Warrants   |            |     |             |         |   |       |           |    |                          |    | 17                                |             |         |             |   |    |                     |    | 17              |
| Dividends to<br>holders of<br>Series A<br>Preferred Stock<br>(\$0.34375 per |            |     |             |         |   |       |           |    |                          |    |                                   |             |         |             |   |    |                     |    |                 |
| share)<br>Reclassification<br>of Series A<br>Preferred Stock to             |            |     |             |         |   |       |           |    |                          |    |                                   |             |         |             | (493)                                   |    |                     |    | (493)           |
| permanent equity<br>Redemption of<br>Series A                               |            |     |             | 82,841  |   | 2,060 |           |    |                          |    | (175)                             |             |         |             |   |    |                     |    | 1,885           |
| Preferred Stock<br>Other<br>comprehensive<br>income                         |            |     |             |         |   |       |           |    |                          |    | 1                                 |             | 1,183   |             |   |    |                     |    | 1               |
| Net income<br>Balances,<br>March 31, 2018                                   | 43,784,939 | \$  | 44          | 143,433 | \$  | 3,568 | 8,080,740 | \$ | 229,251                  | \$ | 792,512                           | \$          | 2,814   | \$          | 618<br>(404,598)                        | \$ | 4<br>894            | \$ | 622<br>624,485  |

|        |         | Three      | Months Ended Ma | rch 31, 2017  |                 |        |
|--------|---------|------------|-----------------|---------------|-----------------|--------|
| Commo  | n Stock |            |                 |               |                 |        |
| Shares | Par     | Additional | Accumulated     | Distributions | Non-controlling | Total  |
|        | Value   | Paid-in    | Other           | in Excess of  | Interests       | Equity |
|        |         | Capital    | Comprehensive   | Earnings      |                 |        |
|        |         |            | Income          |               |                 |        |

|   |            |          |                 | (Loss)<br>(Unaudited) |                 |           |                 |
|---|------------|----------|-----------------|-----------------------|-----------------|-----------|-----------------|
| Balances, December 31, 2016             | 84,048,081 | \$<br>84 | \$<br>1,566,073 | \$<br>(509)           | \$<br>(599,971) | \$<br>912 | \$<br>966,589   |
| Stock-based compensation expense        |            |          | 49              |                       |                 |           | 49              |
| Common dividends (\$0.21875 per share)  |            |          |                 |                       | (18,386)        |           | (18,386)        |
| Issuance of Series A Preferred Warrants |            |          | 4               |                       |                 |           | 4               |
| Dividends to holders of Series A        |            |          |                 |                       |                 |           |                 |
| Preferred Stock (\$0.34375 per share)   |            |          |                 |                       | (31)            |           | (31)            |
| Other comprehensive income              |            |          |                 | 1,552                 |                 |           | 1,552           |
| Net income                              |            |          |                 |                       | 193,930         | 5         | 193,935         |
| Balances, March 31, 2017                | 84,048,081 | \$<br>84 | \$<br>1,566,126 | \$<br>1,043           | \$<br>(424,458) | \$<br>917 | \$<br>1,143,712 |

### CIM COMMERCIAL TRUST CORPORATION AND SUBSIDIARIES

### **Consolidated Statements of Cash Flows**

### (In thousands)

|  | Three Mor<br>Mar | nths En<br>ch 31, | ded       |
|--|------------------|-------------------|-----------|
|  | 2018             |                   | 2017      |
|  | (Unat            | udited)           |           |
| CASH FLOWS FROM OPERATING ACTIVITIES:  |                  |                   |           |
| Net income   | \$<br>622        | \$                | 193,935   |
| Adjustments to reconcile net income to net cash provided by operating activities:      |                  |                   |           |
| Deferred rent and amortization of intangible assets, liabilities and lease inducements | (1,388)          |                   | (2,379)   |
| Depreciation and amortization  | 13,148           |                   | 17,231    |
| Transfer of right to collect supplemental real estate tax reimbursements               |                  |                   | (5,097)   |
| Gain on sale of real estate  |                  |                   | (187,734) |
| Straight-line rent, below-market ground lease and amortization of intangible assets    | (11)             |                   | 441       |
| Amortization of deferred loan costs  | 176              |                   | 308       |
| Amortization of premiums and discounts on debt   | (34)             |                   | (160)     |
| Unrealized premium adjustment  | 891              |                   | 395       |
| Amortization and accretion on loans receivable, net                                    | (99)             |                   | 67        |
| Bad debt expense   | 109              |                   | 65        |
| Deferred income taxes  | 58               |                   | 183       |
| Stock-based compensation   | 38               |                   | 49        |
| Loans funded, held for sale to secondary market  | (8,731)          |                   | (6,303)   |
| Proceeds from sale of guaranteed loans   | 17,113           |                   | 9,336     |
| Principal collected on loans subject to secured borrowings                             | 510              |                   | 1,554     |
| Other operating activity   | (193)            |                   | (106)     |
| Changes in operating assets and liabilities:   |                  |                   |           |
| Accounts receivable and interest receivable  | 2,834            |                   | 261       |
| Other assets   | (5,115)          |                   | (3,510)   |
| Accounts payable and accrued expenses  | (1,998)          |                   | (4,986)   |
| Deferred leasing costs   | (1,040)          |                   | (910)     |
| Other liabilities  | (8)              |                   | 1,022     |
| Due to related parties   | 826              |                   | (99)      |
| Net cash provided by operating activities  | 17,708           |                   | 13,563    |
| CASH FLOWS FROM INVESTING ACTIVITIES:  | ,                |                   | ,         |
| Additions to investments in real estate  | (4, 119)         |                   | (3,305)   |
| Acquisition of real estate   | (112,048)        |                   |           |
| Proceeds from sale of real estate, net   |                  |                   | 289,939   |
| Loans funded   | (2,910)          |                   | (2,101)   |
| Principal collected on loans   | 3,679            |                   | 2,153     |
| Other investing activity   | 49               |                   | 56        |
| Net cash (used in) provided by investing activities                                    | (115,349)        |                   | 286,742   |
|  | (,>)             |                   | ,         |

(Continued)

### CIM COMMERCIAL TRUST CORPORATION AND SUBSIDIARIES

### **Consolidated Statements of Cash Flows (Continued)**

### (In thousands)

|  | Three Month<br>March 3 |          |
|--|------------------------|----------|
|  | 2018                   | 2017     |
|  | (Unaudit               | (ed)     |
| CASH FLOWS FROM FINANCING ACTIVITIES:  |                        |          |
| Payment of mortgages payable   | (510)                  | (26,477) |
| Proceeds from revolving credit facility  | 10,000                 |          |
| Payment of principal on secured borrowings   |                        | (1,554)  |
| Proceeds from secured borrowings   | 773                    |          |
| Payment of deferred preferred stock offering costs   | (404)                  | (261)    |
| Payment of deferred loan costs   |                        | (4)      |
| Payment of common dividends  | (5,473)                | (18,386) |
| Payment of special cash dividends  | (1,575)                |          |
| Payment of borrowing costs   |                        | (6)      |
| Net proceeds from issuance of Series A Preferred Warrants  | 17                     | 4        |
| Net proceeds from issuance of Series A Preferred Stock   | 8,975                  | 1,900    |
| Payment of preferred stock dividends   | (249)                  | (9)      |
| Redemption of Series A Preferred Stock   | (37)                   |          |
| Net cash provided by (used in) financing activities  | 11,517                 | (44,793) |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH<br>CASH AND CASH EQUIVALENTS AND RESTRICTED CASH: | (86,124)               | 255,512  |