

Edgar Filing: PennyMac Mortgage Investment Trust - Form 8-K

PennyMac Mortgage Investment Trust
Form 8-K
August 31, 2017

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): August 25, 2017

PennyMac Mortgage Investment Trust

(Exact name of registrant as specified in its charter)

Maryland 001-34416 27-0186273
(State or other jurisdiction (Commission (IRS Employer
of incorporation) File Number) Identification No.)

3043 Townsgate Road, Westlake Village, California 91361
(Address of principal executive offices) (Zip Code)

(818) 224 7442

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth 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.

Item 1.01 Entry into a Material Definitive Agreement.

Repurchase Agreement

On August 28, 2017, PennyMac Mortgage Investment Trust (the “Company”), through two of its wholly-owned subsidiaries, PennyMac Corp. (“PMC”) and PennyMac Operating Partnership, LP (“POP”), entered into an amendment (the “Amendment”) to its Master Repurchase Agreement, dated as of November 20, 2012, by and among Morgan Stanley Bank, N.A., as buyer (“Morgan Stanley”), Morgan Stanley Mortgage Capital Holdings LLC, as agent, and PMC, as the original seller (the “Repurchase Agreement”). Pursuant to the terms of the Repurchase Agreement, PMC and/or POP may sell, and later repurchase, newly originated mortgage loans that PMC acquires from correspondent lenders pending sale and/or securitization. The obligations of PMC and POP under the Repurchase Agreement are fully guaranteed by the Company and the mortgage loans are serviced by PennyMac Loan Services, LLC, an indirect controlled subsidiary of PennyMac Financial Services, Inc. (NYSE: PFSI).

Under the terms of the Amendment, the maximum aggregate purchase price provided for in the Repurchase Agreement was decreased from \$600 million to \$500 million, the uncommitted amount of which was decreased from \$350 million to \$250 million. In addition, the termination date for the Repurchase Agreement was extended to August 24, 2018. The Amendment also requires the Company to maintain profitability, generated over a consecutive three-month period, of no less than \$1.00 for two or more consecutive fiscal quarters, as of the last day of each fiscal quarter.

All other terms and conditions of the Repurchase Agreement, including the \$250 million committed amount thereunder, remain the same in all material respects. The Company, through PMC and POP, is required to pay Morgan Stanley all fees and out-of-pocket expenses associated with the preparation of the Amendment.

The foregoing descriptions of the Amendment, the Repurchase Agreement and the related guaranty do not purport to be complete and are qualified in their entirety by reference to (i) the full text of the Amendment, which has been filed with this Current Report on Form 8-K as Exhibit 10.1; (ii) the descriptions of the Repurchase Agreement and the related guaranty in the Company’s Current Report on Form 8-K as filed on November 26, 2012; (iii) the full text of the Repurchase Agreement and the related guaranty attached thereto as Exhibit 1.1 and Exhibit 1.2, respectively; and (iv) the full text of all other amendments to the Repurchase Agreement previously filed with the SEC.

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

Edgar Filing: PennyMac Mortgage Investment Trust - Form 8-K

The information set forth under Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit

No. Description

10.1 Amendment Number Ten to the Master Repurchase Agreement, dated as of August 25, 2017, among PennyMac Corp., Morgan Stanley Bank N.A. and Morgan Stanley Mortgage Capital Holdings LLC

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PENNYMAC MORTGAGE INVESTMENT TRUST

Dated: August 31, 2017 /s/ Andrew S. Chang
Andrew S. Chang

Senior Managing Director and Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
10.1	<u>Amendment Number Ten to the Master Repurchase Agreement, dated as of August 25, 2017, among PennyMac Corp., Morgan Stanley Bank N.A. and Morgan Stanley Mortgage Capital Holdings LLC</u>