

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
§ 240.13d-2(a)

(Amendment No. 2)¹

Creative Media & Community Trust Corporation
(Name of Issuer)

Common Stock, \$0.001 par value
(Title of Class of Securities)

125525584
(CUSIP Number)

DANIEL M. NEGARI
2121 E. Tropicana Avenue, Suite 2
Las Vegas, Nevada 89119
(702) 900-2999

RYAN NEBEL
OLSHAN FROME WOLOSKY LLP
1325 Avenue of the Americas
New York, New York 10019
(212) 451-2300
(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

September 27, 2023
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

¹ The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1	NAME OF REPORTING PERSON The 1 8 999 Trust	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS WC	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Nevada	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 624,045
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 624,045
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 624,045	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 2.7%	
14	TYPE OF REPORTING PERSON OO	

1	NAME OF REPORTING PERSON XYZ LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS WC	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Nevada	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 750,000
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 750,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 750,000	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 3.3%	
14	TYPE OF REPORTING PERSON OO	

1	NAME OF REPORTING PERSON Daniel M. Negari	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 1,374,045
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 1,374,045
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,374,045	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 6.0%	
14	TYPE OF REPORTING PERSON IN	

1	NAME OF REPORTING PERSON The Insight Trust	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS WC	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Nevada	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 7,000
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 7,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 7,000	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) Less than 1%	
14	TYPE OF REPORTING PERSON OO	

1	NAME OF REPORTING PERSON Michael R. Ambrose	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 757,000
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 757,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 757,000	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 3.3%	
14	TYPE OF REPORTING PERSON IN	

The following constitutes Amendment No. 2 to the Schedule 13D filed by the undersigned (“Amendment No. 2”). This Amendment No. 2 amends the Schedule 13D as specifically set forth herein.

Item 4. Purpose of Transaction.

Item 4 is hereby amended to add the following:

On September 27, 2023, Mr. Negari issued an open letter (the “Open Letter”) to the Board of Directors of the Issuer (the “Board”) reiterating his proposal, initially made on April 17, 2023, to acquire all of the outstanding Shares of the Issuer for \$8.88 per Share in cash (the “Proposal”), representing a substantial premium of over 119% to the Issuer’s most recent closing price of \$4.05 and nearly 112% to the Issuer’s 30-day average closing price of \$4.194. In addition to reiterating the Proposal, Mr. Negari detailed alternative strategies for the Board to consider to enhance shareholder value should the Board continue to refuse to commence a sales process, including (i) the immediate sale of non-core assets and repurchasing Shares or (ii) disposing of all assets and returning capital to shareholders.

The foregoing description of the Open Letter does not purport to be complete and is qualified in its entirety by reference to the Open Letter, which is attached as Exhibit 99.1 hereto and is incorporated herein by reference.

Item 7. Material to be Filed as Exhibits.

Item 7 is hereby amended to add the following exhibit:

[99.1](#) [Open Letter, dated September 27, 2023.](#)

SIGNATURES

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

Dated: September 27, 2023

The 1 8 999 Trust

By: /s/ Daniel M. Negari
Name: Daniel M. Negari
Title: Trustee

XYZ LLC

By: /s/ Daniel M. Negari
Name: Daniel M. Negari
Title: Manager

/s/ Daniel M. Negari
Daniel M. Negari

The Insight Trust

By: /s/ Michael R. Ambrose
Name: Michael R. Ambrose
Title: Trustee

/s/ Michael R. Ambrose
Michael R. Ambrose

FROM THE DESK OF
DANIEL M. NEGARI
 2121 E TROPICANA AVE #2 LAS VEGAS NV 89119
 702-900-2999

September 27, 2023

Creative Media & Community Trust Corporation
 17950 Preston Road, Suite 600
 Dallas, Texas 75252
 Attention: Board of Directors

Dear Members of the Board:

As you are aware, on April 17, 2023, I submitted a proposal to the Board of Directors (the “Board”) of Creative Media & Community Trust Corporation (“CMCT” or the “Company”) to acquire all of the outstanding shares for \$8.88 per share in cash, which at the time represented a substantial premium of nearly 110% to the Company’s previous closing price of \$4.23 and over 103% to the Company’s preceding 30-day average closing price of \$4.386.

Despite CMCT’s stock price continuing to decline, **I am writing to reiterate my interest in acquiring the Company for \$8.88 per share in cash.** My offer now represents an even greater premium of over 119% to yesterday’s closing price of \$4.05 and nearly 112% to the Company’s 30-day average closing price of \$4.194.

Given the Company’s failure to engage with me to date with respect to my acquisition proposal, I am also writing to share alternative strategies for the Board to consider to enhance shareholder value should the Board continue to refuse to commence a sales process.

As shown below in [Table 1](#), CIM Group, L.P.’s (“CIM Group”) ownership of CMCT has risen from 19.2% to 45.7%, while the Company’s self-reported net asset value (“NAV”) has been substantially eroded and a 6.25% ownership limitation was imposed on independent shareholders like myself.

Table 1. Self-Reported NAV History and CIM Group Ownership

	CMCT NAV	CIM Group Ownership
Q4 2019	\$28.49	19.2% (Nov 2019)
Q3 2022	\$16.11	41.5% (August 2022)
Q4 2022	\$14.30	42.7% (Nov 2022)
Q1 2023	\$12.67	42.3% (May 2023)
Q2 2023	\$11.03	45.7% (Aug 2023)

In light of CIM Group's near total control of the Company at every level and the Board's entrenchment tactics, which effectively prevents shareholders of the Company from meaningfully exercising their rights to effect change, I can only present for the Board's consideration the three proposals detailed below in an effort to help you uphold your fiduciary duty to the Company and its shareholders. I firmly believe that each of these proposals would benefit all shareholders (including CIM Group) and represent a significant improvement to the status quo.

Proposal X

Commence a Strategic Review Process to Sell the Entire Company

As noted above, I remain interested in acquiring the Company for \$8.88 per share – in doing so I have effectively set the floor the Company can expect to receive in any sales process. Based on the information currently in my possession, I would love to acquire the Company for \$8.88 per share (and may be willing to pay more after receiving access to a data room), but if someone else wants to pay more, that is great and will deliver further value to shareholders.

If the Board is not willing to sell the Company, I strongly urge you to implement one of the other two proposals that follow, which I believe are your best paths forward to increase shareholder value short of a sale.

Proposal Y

Dispose of Non-Strategic Assets; Recycle Capital; Aggressively Repurchase Stock; Convert Preferred Stock to Common Stock

1. Sell Non-Core Assets Immediately.

The Sheraton Grand Sacramento should be sold immediately, which I believe would yield \$175,000,000+ for the Company.¹ The SBA lending business should be immediately sold as well. In addition, the Company should explore which other non-core assets could be sold, sell them and maximize the use of the proceeds as described below.

¹Annualized NOI is over \$16,500,000 right now and, conservatively, a 9 Cap would yield over \$183 million in proceeds.

2. Stock Buybacks

You should complete the existing buyback and authorize a new buyback to repurchase up to 35% of the Company's shares at significant discounts to NAV. As shown below in Table 2, this would be a highly accretive use of Company funds that would help close the gap between the Company's share price and NAV.

Table 2. Example of Proposed Buybacks

<u>Item</u>	<u>Value/Amount</u>
Assumptions	
Total Shares	23 Million
Funds From Operations (FFO)	\$11,500,000
Shares to Buyback	7 Million
Buyback Price Per Share	\$5
Dividends Not Paid	\$0.34/share or \$2,380,000
FFO Before Buyback	
FFO Per Share	\$0.50
Total FFO	\$11,500,000
FFO After Buyback	
New Total Shares	16 Million
FFO Per Share	\$0.8675 (Includes dividends not paid)
New Total FFO	\$13,880,000 (Includes dividends not paid)

I've urged you to initiate a buyback, especially given the current market dislocation and the Company's existing authorization. If you choose not to sell the Company, you should maximize this buyback opportunity. Purchasing shares below the true NAV offers an immediate 3X ROI, which I believe is the best you'll achieve. The recent rights offering has created a hole in your shareholder base, and restrictions limiting shareholders like me to 6.25% ownership further highlight this issue.

3. Stop Purchasing Properties and Limit Development to New Co-Invest Structure.

Recent history has shown that purchasing or developing new properties destroys NAV, even by the Company's own metrics. In general, new acquisitions and development should be avoided. On the other hand, the Company's new co-invest structure has proven to create significant value. The Company should utilize this structure for existing properties and take on any future development projects using this structure.

4. Convert Preferred Stock to Common Stock

Instead of redeeming shares of preferred stock, the Company should implement a stock buyback to align NAV with the common stock value. The Company would then be able to distribute shares of common stock to shareholders of preferred stock as a substitute for direct payoffs. To protect NAV, an evergreen buyback program should be implemented to repurchase shares on a continuous basis, but such a program should only be considered when the stock price is within 5% of NAV. Appropriately implementing an evergreen buyback program should eventually eliminate the need to have such an outsized preferred stock program.

Final Points

This proposal will focus the Company on growth and ensure its financial viability into the future. This is especially the case if the Company is successful in moving all properties to a co-invest structure, which would potentially raise \$200-300 million in cash, which could be put to work using the strategies described above.

Proposal Z

Dispose of all Assets; Pay Off Debts; Return Capital

The Company should dispose of all assets, starting with the most liquid, pay off all debts and return capital to shareholders. I conservatively estimate that the Company could yield over \$12.00 per share using this strategy, which could be accomplished in 3-6 months.

Some analysts think your office assets are dead, but the building next door to 1 Kaiser Plaza just sold to Pacific Gas and Electric Company for \$892,000,000, or about \$980 per sq. ft. (<https://therealdeal.com/sanfrancisco/2023/07/07/pge-buys-oakland-headquarters-for-up-to-900m/>)

1 Kaiser Plaza is the headquarters of Kaiser Permanente, and is about 530,000 sq. ft. Kaiser Permanente is active in buying office real estate and it completed a nine-figure office purchase through a SMA recently. A sale price at \$980 per sq. ft. would not be necessary to create significant shareholder value, as a sales price at just \$600 per sq. ft. would yield \$318 million after paying off the \$97 million CMBS loan. This sale alone could yield investors more than \$10 per share, as it would not require the Company to pay off its preferred stock and other debts in full.

Eleven Fifty Clay and Channel House can be recapped through a co-invest and yield shareholders \$6+ a share, while retaining 20% of the asset and generating management fees for the benefit of all shareholders. A straightforward sale would yield even more.

Takeaways

Ultimately, the Board is well aware of the value of the Company's assets and fully capable of implementing a strategy to enhance shareholder value. While I remain interested in acquiring the Company, it is crucial for the benefit of all shareholders that immediate action is taken to effect change – whether by yourselves or through constructive engagement with me or other third parties. It is your fiduciary obligation to take decisive action in the best interest of ALL shareholders (not just CIM Group). If needed, I'm prepared to be your stalking horse at \$8.88 per share.

Sincerely,

/s/ Daniel M. Negari

Daniel M. Negari