

Bailey Steven Richard
 Form 4
 March 14, 2018

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Bailey Steven Richard

2. Issuer Name and Ticker or Trading Symbol
 PennyMac Mortgage Investment Trust [PMT]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)
 ___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 Chief Mortgage Ops Officer

(Last) (First) (Middle)
 C/O PENNYMAC, 3043 TOWNSGATE ROAD
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 03/12/2018

WESTLAKE VILLAGE, CA 91361

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ___ Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Price		
				Code	V	Amount	
Common Shares of Beneficial Interest	03/12/2018		A	5,104 ⁽¹⁾	A	\$ 0	19,081 ⁽²⁾ D
Common Shares of Beneficial Interest	03/12/2018		M	1,462 ⁽³⁾	A	\$ 0	20,543 ⁽⁴⁾ D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Underlying Security (Instr. 3 and 4)
Performance-Based Restricted Share Units	\$ 0 ⁽³⁾	03/12/2018		A	1,462	⁽³⁾ / ⁽³⁾	Common Shares of Beneficial Interest
Performance-Based Restricted Share Units	\$ 0 ⁽³⁾	03/12/2018		M	1,462	⁽³⁾ / ⁽³⁾	Common Shares of Beneficial Interest

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Bailey Steven Richard C/O PENNYMAC 3043 TOWNSGATE ROAD WESTLAKE VILLAGE, CA 91361			Chief Mortgage Ops Officer	

Signatures

/s/ Derek W. Stark, attorney-in-fact for Mr. Bailey
 **Signature of Reporting Person
 Date: 03/14/2018

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- The Reporting Person was granted 5,104 restricted share units. The restricted share units, which vest in three equal annual installments beginning on the first anniversary of the grant date, are to be settled in an equal number of common shares of beneficial interest upon vesting.

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- (2) The reported amount consists of 19,081 restricted share units. The restricted share units are to be settled in an equal number of common shares of beneficial interest upon vesting.

This performance-based restricted share unit (PSU) award was granted to the Reporting Person on February 23, 2017 and may vest in three equal installments subject to the satisfaction of certain performance based criteria for each of the fiscal years ending 2017, 2018 and 2019. The PSU vested as to one-third on March 12, 2018 and the payout of common shares of beneficial interest pursuant to the PSU

- (3) award for the 2017 fiscal year was determined based on the Issuer's return on equity (ROE) of 7.72% for the period of January 1, 2017 through December 31, 2017 as measured against ROE targets established at the time of grant. The payout percentage for the award based on target achievement was 68%.

- (4) The reported amount consists of 19,081 restricted share units and 1,462 common shares of beneficial interest. The restricted share units are to be settled in an equal number of common shares of beneficial interest upon vesting.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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