

Ares Commercial Real Estate Corp
Form SC 13G/A
February 11, 2014

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934
(Amendment No. 1)*

Ares Commercial Real Estate Corporation

(Name of Issuer)

Common Stock

(Title of Class of Securities)

04013V108

(CUSIP Number)

December 31, 2013

(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

* 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 the disclosures provided in a prior cover page.

The information required in 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 Instructions).

CUSIP No.: 04013V108

1 NAME OF REPORTING PERSON
Canyon Capital Advisors LLC

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES)

ONLY)
95-4688436

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

2 (a)
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 5 SOLE VOTING POWER
562,912 (based upon conversion of bonds CUSIP 04013VAB4)

6 SHARED VOTING POWER

7 SOLE DISPOSITIVE POWER
562,912 (based upon conversion of bonds CUSIP 04013VAB4)

8 SHARED DISPOSITIVE POWER

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
562,912 (based upon conversion of bonds CUSIP 04013VAB4)

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

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)
1.98%

12 TYPE OF REPORTING PERSON
IA

CUSIP No.: 04013V108

NAME OF REPORTING PERSON
Mitchell R. Julis

1 I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)

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

6 SHARED VOTING POWER
562,912 (based upon conversion of bonds CUSIP 04013VAB4)

7 SOLE DISPOSITIVE POWER

8 SHARED DISPOSITIVE POWER
562,912 (based upon conversion of bonds CUSIP 04013VAB4)

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
562,912 (based upon conversion of bonds CUSIP 04013VAB4)

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

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)
1.98%

12 TYPE OF REPORTING PERSON
IN

CUSIP No.: 04013V108

1 NAME OF REPORTING PERSON
Joshua S. Friedman

2 I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)

3 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
(a)
(b)

4 SEC USE ONLY

5 CITIZENSHIP OR PLACE OF ORGANIZATION
United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5 SOLE VOTING POWER

6 SHARED VOTING POWER
562,912 (based upon conversion of bonds CUSIP 04013VAB4)

7 SOLE DISPOSITIVE POWER

8 SHARED DISPOSITIVE POWER
562,912 (based upon conversion of bonds CUSIP 04013VAB4)

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

562,912 (based upon conversion of bonds CUSIP 04013VAB4)

- 10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9)
EXCLUDES CERTAIN SHARES
- 11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)
1.98%
- 12 TYPE OF REPORTING PERSON
IN

CUSIP No.: 04013V108

ITEM 1(a). NAME OF
ISSUER:
Ares
Commercial
Real Estate
Corporation

ITEM 1(b). ADDRESS OF
ISSUER'S
PRINCIPAL
EXECUTIVE
OFFICES:
Two North
LaSalle Street
Suite 925
Chicago, IL
United States

ITEM 2(a). NAME OF
PERSON
FILING:
This Schedule
13G is being
filed on behalf
of the following
persons*:
(i) Canyon
Capital Advisors
LLC (CCA)
(ii) Mitchell R.
Julis
(iii) Joshua S.
Friedman

CCA is the
investment
advisor to the

following
persons:
(i) Canyon
Capital
Arbitrage
Master Fund
Ltd. ("CARB")

* Attached as
Exhibit A is a
copy of an
agreement
among the
persons filing
(as specified
hereinabove)
that this
Schedule 13G is
being filed on
behalf of each of
them.

ITEM 2(b). ADDRESS OF
PRINCIPAL
BUSINESS
OFFICE OR, IF
NONE,
RESIDENCE:
2000 Avenue of
the Stars, 11th
Floor,
Los Angeles,
CA 90067
United States

ITEM 2(c). CITIZENSHIP:
CCA: a
Delaware
limited liability
company
CARB: a
Cayman Islands
corporation

Mitchell R.
Julis: United
States
Joshua S.
Friedman:
United States

ITEM 2(d).

TITLE OF
CLASS OF
SECURITIES:

Common Stock

ITEM 2(e). CUSIP
NUMBER:

04013V108

ITEM 3. IF THIS STATEMENT IS FILED PURSUANT TO SECTION 240.13d-1(b), or 13d-2(b) or (c) CHECK WHETHER THE PERSON FILING IS A:

- (a) Broker or dealer registered under Section 15 of the Act (15 U.S.C. 78c);
- (b) Bank as defined in Section 3(a)(6) of the Act (15 U.S.C. 78c);
- (c) Insurance company as defined in Section 3(a)(19) of the Act (15 U.S.C. 78c);
- (d) Investment company registered under Section 8 of the Investment Company Act of 1940 (15 U.S.C 80a-8);
- (e) An investment adviser in accordance with 240.13d-1(b)(1)(ii)(E);
- (f) An employee benefit plan or endowment fund in accordance with 240.13d-1(b)(1)(ii)(F);
- (g) A parent holding company or control person in accordance with 240.13d-1(b)(1)(ii)(G);
- (h) A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
- (i) A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j) A non-U.S. institution in accordance with 240.13d-1(b)(1)(ii)(J);
- (k) Group, in accordance with 240.13d-1(b)(1)(ii)(K). If filing as a non-U.S. institution in accordance with 240.13d1(b)(1)(ii)(J), please specify the type of institution:

ITEM 4. OWNERSHIP:

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

- (a) Amount beneficially owned:
562,912 (based upon conversion of bonds CUSIP 04013VAB4)
- (b) Percent of class:
1.98%
- (c) Number of shares as to which the person has:
 - (i) Sole power to vote or to direct the vote:
562,912 (based upon conversion of bonds CUSIP 04013VAB4)
 - (ii) Shared power to vote or to direct the vote:
562,912 (based upon conversion of bonds CUSIP 04013VAB4)
 - (iii) Sole power to dispose or to direct the disposition of:
562,912 (based upon conversion of bonds CUSIP 04013VAB4)
 - (iv) Shared power to dispose or to direct the disposition of:

ITEM 5. OWNERSHIP OF
FIVE PERCENT OR
LESS OF A CLASS:

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [X].

ITEM 6. OWNERSHIP OF
MORE THAN FIVE
PERCENT ON
BEHALF OF
ANOTHER
PERSON:

CCA is an investment advisor to various managed accounts noted above, including CARB, with the right to receive, or the power to direct the receipt, of dividends from, or the proceeds from the sale of the securities held by, such managed accounts. Messrs. Julis, and Friedman control entities which own 100% of CCA.

ITEM 7. IDENTIFICATION
AND
CLASSIFICATION
OF THE
SUBSIDIARY
WHICH ACQUIRED
THE SECURITY
BEING REPORTED
ON BY THE
PARENT HOLDING
COMPANY:

n/a

IDENTIFICATION
AND

ITEM 8. CLASSIFICATION
OF MEMBERS OF
THE GROUP:

n/a

NOTICE OF

ITEM 9. DISSOLUTION OF
GROUP:

n/a

ITEM 10. CERTIFICATION:

By signing below I
certify that, to the
best of my knowledge
and belief, the
securities referred to
above were acquired
and are held in the
ordinary course of
business and 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.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

February 14, 2014

Date

Canyon Capital Advisors LLC

/s/ Doug Anderson

Signature

Doug Anderson, Chief Compliance Officer

Name/Title

SIGNATURE

February 14, 2014

Date

Mitchell R. Julis

/s/ Mitchell R. Julis

Signature

Mitchell R. Julis,

Name/Title

February 14, 2014

Date

Joshua S. Friedman

/s/ Joshua S. Friedman

Signature

Joshua S. Friedman,

Name/Title

Attention: Intentional misstatements or omissions of fact constitute Federal criminal violations (see 18 U.S.C. 1001).

CUSIP No.: 04013V108

EXHIBIT A

AGREEMENT REGARDING JOINT FILING

The undersigned hereby agree and consent to the joint filing on their behalf of this amendment to Schedule 13G in connection with their beneficial ownership of the common stock of Ares Commercial Real Estate.

Dated: February 14, 2014

CANYON CAPITAL ADVISORS LLC,
a Delaware limited liability company

By: /s/ Doug Anderson

Name: Doug Anderson

Title: Chief Compliance Officer

JOSHUA S. FRIEDMAN

/s/ Joshua S. Friedman

MITCHELL R. JULIS

SIGNATURE

/s/ Mitchell R. Julis