

Prospect Acquisition Corp
 Form 4
 November 12, 2009

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 *
 Malibu Partner LLC

(Last) (First) (Middle)
 15332 ANTIOCH STREET, #528
 (Street)

PACIFIC PALISADES, CA 90272

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 Prospect Acquisition Corp [PAX]

3. Date of Earliest Transaction
 (Month/Day/Year)
 11/11/2009

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 10% Owner
 ___ Officer (give title below) ___ Other (specify below)

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

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | | (A) or (D) | Code V Amount (D) Price | | |

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

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SEC 1474 (9-02)

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 | 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 | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|--|------------------------------------|--------------------------------------|--|--------------------------------|--|--|---|
|--|------------------------------------|--------------------------------------|--|--------------------------------|--|--|---|

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| Derivative Security | Disposed of (D) (Instr. 3, 4, and 5) | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
|-----------------------|---|------------|------|---|-----|-----------|------------------|-----------------|--------------|----------------------------|
| | | | | | | | | | | |
| Option (right to buy) | <u>(1)</u> | 10/14/2009 | J | | | 1,051,000 | 10/14/2009 | <u>(3)</u> | Common Stock | 1,051,000 |
| Option (right to buy) | <u>(1)</u> | 10/16/2009 | J | | | 1,000,000 | 10/16/2009 | <u>(3)</u> | Common Stock | 1,000,000 |
| Option (right to buy) | <u>(2)</u> | 10/21/2009 | J | | | 200,000 | 10/21/2009 | <u>(3)</u> | Common Stock | 200,000 |
| Option (right to buy) | <u>(1)</u> | 10/30/2009 | J | | | 1,386,338 | 10/30/2009 | <u>(3)</u> | Common Stock | 1,386,338 |
| Option (right to buy) | <u>(1)</u> | 11/06/2009 | J | | | 1,367,990 | 11/06/2009 | <u>(3)</u> | Common Stock | 1,367,990 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Malibu Partner LLC 15332 ANTIOCH STREET #528 PACIFIC PALISADES, CA 90272 | | X | | |

Signatures

/s/Kenneth J. Abdalla, Managing Member

11/12/2009

**Signature of Reporting Person

Date

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).
- (1) The pro rata portion of the Issuer's trust account due its public stockholders as set forth in the Company's final definitive proxy statement filed with the U.S. Securities and Exchange Commission in connection with its Business Combination.
 - (2) The pro rata portion of the Issuer's trust account due its public stockholders as set forth in the Company's final definitive proxy statement filed with the U.S. Securities and Exchange Commission in connection with its Business Combination plus \$0.025.
 - (3) The earlier of (i) the day on which the Company liquidates its trust account or (ii) termination by the Reporting Person.
 - (4) The shares of common stock that is the subject of this footnote is owned by The Malibu Companies LLC, which is under the control of Kenneth J. Abdalla, managing member of the Reporting Person.

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- (5) The shares of common stock that are the subject of this footnote are owned by Broad Beach Partners, LLC, which is under the control of Kenneth J. Abdalla, managing member of the Reporting Person.
- (6) The securities were terminated without any consideration paid to the Reporting Person.

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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