

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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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)
 10/30/2009

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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) | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
|--------------------------------------|------------|------------|---|-----|------------------|-----------------|--------------|----------------------------|
| | Code | V | (A) | (D) | | | | |
| Option (right to buy) ⁽¹⁾ | <u>(2)</u> | 10/30/2009 | P | | 10/30/2009 | <u>(3)</u> | Common Stock | 1,386,338 |
| Option (right to buy) ⁽¹⁾ | <u>(2)</u> | 11/06/2009 | P | | 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
11/10/2009

**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) Kenneth J. Abdalla, managing member of the reporting person, has immediate voting power of the securities, but not immediate dispositive power.
- (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.
- (3) The earlier of (i) the day on which the Company liquidates its trust account or (ii) the unilateral decision of the reporting person.
- (4) The shares of common stock that are the subject of this footnote are owned by The Malibu Companies, LLC, which is under the control of Kenneth J. Abdalla, managing member of the Reporting Person.
- (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.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.