

Prospect Acquisition Corp
Form SC 13D/A
November 09, 2009

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 2 to
SCHEDULE 13D
(Rule 13d-101)

Information to be Included in Statements Filed Pursuant
to Rule 13d-1(a) and Amendments Thereto Filed Pursuant to Rule 13d-2(a)

PROSPECT ACQUISITION CORP.

(Name of Issuer)

COMMON STOCK, \$0.0001 PAR VALUE

(Title of Class of Securities)

74347T103

(CUSIP Number)

Kenneth J. Abdalla
15332 Antioch Street #528
Pacific Palisades, CA 90272

(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications)

November 6, 2009

(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 Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box. "

SCHEDULE 13D

CUSIP No. 74347T103

1 NAME OF REPORTING PERSON

MALIBU PARTNERS LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

PF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CALIFORNIA

NUMBER OF	7	SOLE VOTING POWER
		726,661 SHARES OF COMMON STOCK
SHARES	8	SHARED VOTING POWER
		0 SHARES OF COMMON STOCK
BY	9	SOLE DISPOSITIVE POWER
		726,661 SHARES OF COMMON STOCK
EACH	10	SHARED DISPOSITIVE POWER
		0 SHARES

REPORTING

PERSON

WITH

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

726,661

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

2.3%

14 TYPE OF REPORTING PERSON*

OO (Limited Liability Company)

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 74347T103

1 NAME OF REPORTING PERSON

KENNETH J. ABDALLA

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

PF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

UNITED STATES

NUMBER OF	7	SOLE VOTING POWER
		6,458,249 SHARES OF COMMON STOCK
SHARES	8	SHARED VOTING POWER
		0 SHARES OF COMMON STOCK
BY	9	SOLE DISPOSITIVE POWER
		1,453,921 SHARES OF COMMON STOCK
EACH	10	SHARED DISPOSITIVE POWER
		0 SHARES

REPORTING

PERSON

WITH

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
6,458,249

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
20.5%

14 TYPE OF REPORTING PERSON*
IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 74347T103

1 NAME OF REPORTING PERSON

BROAD BEACH PARTNERS LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

PF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CALIFORNIA

NUMBER OF	7	SOLE VOTING POWER
		2,095,250 SHARES OF COMMON STOCK
SHARES	8	SHARED VOTING POWER
		0 SHARES OF COMMON STOCK
BY	9	SOLE DISPOSITIVE POWER
		727,260 SHARES OF COMMON STOCK
EACH	10	SHARED DISPOSITIVE POWER
		0 SHARES

REPORTING

PERSON

WITH

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
2,095,250

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
6.65%

14 TYPE OF REPORTING PERSON*
OO (Limited Liability Company)

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 74347T103

1 NAME OF REPORTING PERSON

THE MALIBU COMPANIES, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

PF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CALIFORNIA

NUMBER OF	7	SOLE VOTING POWER 3,636,338 SHARES OF COMMON STOCK
SHARES	8	SHARED VOTING POWER 0 SHARES OF COMMON STOCK
BY	9	SOLE DISPOSITIVE POWER 0 SHARES OF COMMON STOCK
EACH	10	SHARED DISPOSITIVE POWER 0 SHARES

REPORTING

PERSON

WITH

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
3,636,338

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
11.6%

14 TYPE OF REPORTING PERSON*
OO (Limited Liability Company)

*SEE INSTRUCTIONS BEFORE FILLING OUT!

Item 1.

Security and Issuer

This Amendment No. 2 to the Schedule 13D relates to the common stock, par value \$0.0001 per share (“Common Stock”) of Prospect Acquisition Corp. (the “Issuer”). The address of the principal executive office of the Issuer is 9130 Galleria Court, Suite 318, Naples, Florida. The 6,458,249 shares of Common Stock that are the subject of this Schedule 13D are owned by Malibu Partners, LLC, Broad Beach Partners, LLC, and The Malibu Companies, LLC. Malibu Partners, LLC directly owns 726,661 shares of Common Stock and Broad Beach Partners, LLC directly owns 727,260 shares of Common Stock. In the aggregate, The Malibu Companies, LLC and Broad Beach Partners, LLC directly own the voting rights with respect to 5,004,328 shares of Common Stock acquired as part of the purchase of options with respect to such shares (the “Option Agreements”). Kenneth J. Abdalla is the managing member of each of Malibu Partners, LLC, Broad Beach Partners, LLC and The Malibu Companies, LLC.

Item 2.

Identity and Background

(a)

This Statement is filed on behalf of:

(1)

Malibu Partners LLC;

(2)

The Malibu Companies, LLC

(3)

Broad Beach Partners LLC; and

(4)

Kenneth J. Abdalla;

(b)

The address of the above persons is:
15332 Antioch Street #528
Pacific Palisades, CA 90272

(c) The principal occupation and business of Mr. Abdalla, Malibu Partners, LLC, The Malibu Companies, LLC and Broad Beach Partners, LLC is investing in securities.

(d) Mr. Abdalla, Malibu Partners, LLC, The Malibu Companies, LLC and Broad Beach Partners, LLC have not, during the last five (5) years, been convicted in a criminal proceeding (excluding traffic violation or similar misdemeanors).

(e) Mr. Abdalla, Malibu Partners LLC, The Malibu Companies, LLC and Broad Beach Partners LLC have not, during the last five (5) years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and, as a result of such proceeding, subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Mr. Abdalla is an American citizen. Malibu Partners, LLC, The Malibu Companies, LLC and Broad Beach Partners, LLC are each a limited liability company organized in the state of California.

Item 3. Source and Amount of Funds or Other Consideration

Mr. Abdalla, Malibu Partners, LLC, The Malibu Companies, LLC and Broad Beach Partners, LLC used their personal funds to purchase the securities and options.

Item 4. Purpose of Transaction

The Reporting Persons acquired the shares for personal investment purposes. Mr. Abdalla, Malibu Partners, LLC, The Malibu Companies, LLC and Broad Beach Partners, LLC may acquire additional shares of the Issuer to the extent such acquisition(s) are in line with Mr. Abdalla's investment goals.

Mr. Abdalla has advised the Issuer's management that his current intention is to vote all of his Common Stock against the proposed business combination with Kennedy-Wilson, Inc. (the "Business Combination"), as well as against each other proposal to be submitted to a vote of the stockholders (collectively, the "Proposals") at the special meeting of Issuer's stockholders held in connection with the Business Combination (the "Meeting"). Furthermore, per the terms of the Option Agreements, the counter-parties to each of the Option Agreements (individually, each counter-party a "Stockholder" and collectively, the "Stockholders") has agreed to vote against the Business Combination, request redemption of its Common Stock and vote against all of the Proposals presented at the Meeting.

Mr. Abdalla is voting each share of Common Stock he owns against the Business Combination, requesting redemption of his Common Stock and voting against the Proposals because he believes that the terms of the Business Combination should be restructured to r