

CALIFORNIA COASTAL COMMUNITIES INC
Form SC 13D/A
May 09, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934

(Amendment No. 1)*

CALIFORNIA COASTAL COMMUNITIES, INC.

(Name of Issuer)

COMMON STOCK, PAR VALUE \$0.05 PER SHARE

(Title of Class of Securities)

129915203

(CUSIP number)

Malcolm F. MacLean IV

c/o Mercury Real Estate Advisors LLC

100 Field Point Road

Greenwich, CT 06830

(203) 869-9191

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

May 8, 2006

(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 §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. "

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

* 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 disclosures provided in a prior cover page. The information required on 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 the Notes*).

1 NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Mercury Real Estate Advisors LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

NUMBER OF

SHARES 8 958,442 SHARED VOTING POWER

BENEFICIALLY

OWNED BY EACH 9 0 SOLE DISPOSITIVE POWER

REPORTING

PERSON WITH 10 958,442 SHARED DISPOSITIVE POWER

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

958,442

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

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

9.4%*

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

OO Limited Liability Company

* All percentage ownership reported in this Schedule 13D is based on 10,161,462 shares of Common Stock outstanding, as reported by the Issuer (as defined below) in its Quarterly Report on Form 10-Q, filed with the Securities and Exchange Commission on May 5, 2006.

1 NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

David R. Jarvis

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) ..

(b) ..

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

WC

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

7 SOLE VOTING POWER

NUMBER OF

SHARES 958,442
8 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0
EACH 9 SOLE DISPOSITIVE POWER

REPORTING

PERSON 958,442
10 SHARED DISPOSITIVE POWER
WITH

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

958,442

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

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

9.4%

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

1 NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Malcolm F. MacLean IV

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) ..

(b) ..

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

WC

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

7 SOLE VOTING POWER

NUMBER OF

SHARES 967,130
8 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0
EACH 9 SOLE DISPOSITIVE POWER

REPORTING

PERSON 967,130
10 SHARED DISPOSITIVE POWER
WITH

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

967,130

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

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

9.5%

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

CUSIP No. 129915203

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Item 1. Security and Issuer.

This Amendment No. 1 (the Amendment) amends and supplements the Schedule 13D as filed on April 26, 2006 (the Schedule 13D), with respect to the shares of Common Stock, par value \$0.05 per share (the Shares), of California Coastal Communities, Inc., a Delaware corporation (the Issuer). Capitalized terms used herein but not defined shall have the meanings ascribed thereto in the Schedule 13D. The Schedule 13D is hereby amended and supplemented as follows:

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Item 3. Source and Amount of Funds or Other Consideration.

The total amount of funds required by the Reporting Persons to acquire the Shares was \$20,781,656.38. Each of the Funds and Mr. MacLean used its own assets to purchase such Shares, which may at any given time include funds borrowed in the ordinary course in their margin accounts.

Item 5. Interest in Securities of the Issuer.

(a) and (b) As of the date hereof, Mercury Special Situations Fund LP, Mercury Special Situations Offshore Fund, Ltd., Silvercrest Real Estate Fund (International), Silvercrest Real Estate Fund, Mercury Real Estate Securities Fund LP, Mercury Real Estate Securities Offshore Fund, Ltd., Silvercreek SAV LLC, Mercury Targeted Securities Fund LP, Panther Partners LLC and Mr. MacLean owned directly 187,300, 47,565, 153,852, 27,208, 25,053, 48,387, 64,839, 378,338, 25,900 and 8,688 Shares, respectively, representing approximately 1.8%, 0.5%, 1.5%, 0.3%, 0.3%, 0.5%, 0.6%, 3.7%, 0.3% and 0.1% respectively, of the 10,161,462 shares of Common Stock, par value \$0.05 per share, of the Issuer outstanding as reported in publicly available information.

As of the date hereof, Advisors, in its capacity as investment advisor of the Funds, may be deemed to be the beneficial owner of 958,442 Shares, constituting 9.4% of the 10,161,462 shares of Common Stock, par value \$0.05 per share, of the Issuer outstanding as reported in publicly available information.

As of the date hereof, Mr. Jarvis, in his capacity as a Managing Member of Advisors, may be deemed to be the beneficial owner of 958,442 Shares, constituting 9.4% of the 10,161,462 shares of Common Stock, par value \$0.05 per share, of the Issuer outstanding as reported in publicly available information.

As of the date hereof, Mr. MacLean, in his capacity as a Managing Member of Advisors with respect to Shares held by the Funds and individually with respect to Shares held by him directly, may be deemed to be the beneficial owner of 967,130 Shares, constituting 9.5% of the 10,161,462 shares of Common Stock, par value \$0.05 per share, of the Issuer outstanding as reported in publicly available information.

(c) Information with respect to all transactions in the Shares beneficially owned by the Reporting Persons that were effected during the past sixty days is set forth in Exhibit B attached hereto and is incorporated herein by reference.

(d) Not applicable.

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(e) Not applicable.

Item 7. Material to be Filed as Exhibits.

The following documents are filed as exhibits to this Schedule 13D:

Exhibit A Letter to the Board of Directors of California Coastal Communities, Inc., dated April 26, 2006.**

Exhibit B Schedule of Transactions.

Exhibit C Joint Filing Agreement as required by Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as amended.*

* Filed with the Schedule 13G on September 22, 2003.

** Filed with the Schedule 13D on April 26, 2006.

After reasonable inquiry and to the best of his, her or its knowledge and belief, each of the persons signing below certifies that the information set forth in this statement is true, complete and correct.

Date: May 9, 2006

MERCURY REAL ESTATE ADVISORS LLC

/s/ Malcolm F. MacLean IV

Signature

Malcolm F. MacLean IV, Managing Member
Name/Title

/s/ Malcolm F. MacLean IV

Signature

/s/ David R. Jarvis

Signature

Exhibit A Letter to the Board of Directors of California Coastal Communities, Inc., dated April 26, 2006.**

Exhibit B Schedule of Transactions.

Exhibit C Joint Filing Agreement as required by Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as amended.*

* Filed with the Schedule 13G on September 22, 2003.

** Filed with the Schedule 13D on April 26, 2006.

Mercury Special Situations Fund LP

| Date of Transaction | Quantity Purchased(Sold)(1) | Price/Share \$(2) |
|----------------------------|------------------------------------|--------------------------|
| 03/23/2006 | (1,090.00) | 36.878 |
| 03/24/2006 | (3,044.00) | 36.907 |
| 03/27/2006 | (4,182.00) | 36.779 |
| 03/27/2006 | (4,049.00) | 36.679 |
| 03/27/2006 | (4,836.00) | 36.679 |
| 5/8/2006 | 34,300.00 | 36.697 |

Mercury Special Situations Offshore Fund, Ltd.

| Date of Transaction | Quantity Purchased(Sold)(1) | Price/Share \$(2) |
|----------------------------|------------------------------------|--------------------------|
| 04/03/2006 | (326.00) | 36.990 |
| 5/8/2006 | 47,300.00 | 36.697 |

Silvercrest Real Estate Fund (International)

| Date of Transaction | Quantity Purchased(Sold)(1) | Price/Share \$(2) |
|----------------------------|------------------------------------|--------------------------|
| 03/23/2006 | (853.00) | 36.878 |
| 03/24/2006 | (2,382.00) | 36.907 |
| 03/27/2006 | (3,274.00) | 36.779 |
| 03/27/2006 | (3,170.00) | 36.679 |
| 03/27/2006 | (5,413.00) | 36.679 |
| 03/28/2006 | (10,313.00) | 36.834 |
| 03/29/2006 | (5,745.00) | 36.688 |
| 04/03/2006 | (1,625.00) | 36.899 |
| 04/04/2006 | (1,354.00) | 36.749 |
| 04/05/2006 | (2,707.00) | 36.813 |
| 04/06/2006 | (400.00) | 36.749 |
| 04/10/2006 | (7,200.00) | 36.653 |
| 04/12/2006 | (5,200.00) | 36.488 |
| 04/13/2006 | (2,400.00) | 36.452 |
| 5/8/2006 | 23,800.00 | 36.697 |
| 5/8/2006 | 32,036.00 | 36.950 |

Silvercrest Real Estate Fund

| Date of Transaction | Quantity Purchased(Sold)(1) | Price/Share \$(2) |
|----------------------------|------------------------------------|--------------------------|
| 03/23/2006 | (156.00) | 36.878 |
| 03/24/2006 | (436.00) | 36.907 |
| 03/27/2006 | (599.00) | 36.779 |
| 03/27/2006 | (581.00) | 36.679 |
| 03/27/2006 | (990.00) | 36.679 |
| 03/28/2006 | (1,884.00) | 36.834 |
| 03/29/2006 | (1,046.00) | 36.688 |
| 04/03/2006 | (385.00) | 36.899 |
| 04/04/2006 | (321.00) | 36.749 |
| 04/05/2006 | (643.00) | 36.813 |
| 04/06/2006 | (100.00) | 36.749 |
| 04/10/2006 | (1,300.00) | 36.653 |
| 04/12/2006 | (1,000.00) | 36.488 |
| 04/13/2006 | (500.00) | 36.452 |
| 5/8/2006 | 4,300.00 | 36.697 |
| 5/8/2006 | 5,795.00 | 36.950 |

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Mercury Real Estate Securities Fund LP

| Date of Transaction | Quantity Purchased(Sold)(1) | Price/Share \$(2) |
|----------------------------|------------------------------------|--------------------------|
| 04/06/2006 | (76.00) | 36.749 |

Mercury Real Estate Securities Offshore Fund, Ltd.

| Date of Transaction | Quantity Purchased(Sold)(1) | Price/Share \$(2) |
|----------------------------|------------------------------------|--------------------------|
| 03/20/2006 | 194.00 | 37.710 |
| 03/24/2006 | 2,000.00 | 36.963 |
| 04/06/2006 | (200.00) | 36.749 |

Silvercreek SAV, LLC

| Date of Transaction | Quantity Purchased(Sold)(1) | Price/Share \$(2) |
|----------------------------|------------------------------------|--------------------------|
| 03/23/2006 | (352.00) | 36.878 |
| 03/24/2006 | (982.00) | 36.907 |
| 03/27/2006 | (1,350.00) | 36.779 |
| 03/27/2006 | (1,306.00) | 36.679 |
| 03/27/2006 | (2,234.00) | 36.679 |
| 03/28/2006 | (4,256.00) | 36.834 |
| 03/29/2006 | (2,374.00) | 36.688 |
| 04/03/2006 | (139.00) | 36.990 |
| 04/03/2006 | (719.00) | 36.899 |
| 04/04/2006 | (599.00) | 36.749 |
| 04/05/2006 | (1,198.00) | 36.813 |
| 04/06/2006 | (200.00) | 36.749 |
| 04/10/2006 | (2,900.00) | 36.653 |
| 04/12/2006 | (2,700.00) | 36.488 |
| 04/13/2006 | (1,100.00) | 36.452 |
| 5/8/2006 | 9800 | 36.697 |
| 5/8/2006 | 12169 | 36.950 |

Mercury Targeted Securities Fund LP

| Date of Transaction | Quantity Purchased(Sold)(1) | Price/Share \$(2) |
|----------------------------|------------------------------------|--------------------------|
| 03/23/2006 | (240.00) | 36.878 |
| 03/24/2006 | (671.00) | 36.907 |
| 03/27/2006 | (926.00) | 36.779 |
| 03/27/2006 | (894.00) | 36.679 |
| 03/27/2006 | (1,527.00) | 36.679 |
| 03/28/2006 | (2,918.00) | 36.834 |
| 03/29/2006 | (1,635.00) | 36.688 |
| 04/03/2006 | (12,271.00) | 36.899 |
| 04/04/2006 | (10,226.00) | 36.749 |
| 04/05/2006 | (20,452.00) | 36.813 |
| 04/06/2006 | (2,524.00) | 36.749 |
| 04/10/2006 | (2,000.00) | 36.653 |
| 04/11/2006 | (2,493.00) | 36.479 |
| 04/19/2006 | (15,500.00) | 36.449 |
| 04/20/2006 | (18,325.00) | 36.749 |
| 04/21/2006 | (7,650.00) | 36.848 |
| 4/24/2006 | (5611.00) | 36.879 |

(1) All purchases/sales were effected through open market or privately negotiated transactions.

(2) Inclusive of brokerage commissions.