

PICO HOLDINGS INC /NEW

Form SC 13G/A

February 11, 2008

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 13G

**Under the Securities Exchange Act of 1934
(Amendment No. 2)***

PICO HOLDINGS, INC.
(Name of Issuer)
Common Stock \$0.001 per share value
(Title of Class of Securities)
693366205
(CUSIP Number)
December 31, 2007
(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 the Notes).

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.

CUSIP No. 693366205

1. NAMES OF REPORTING PERSONS

S.S. or I.R.S. Identification No. of above persons (entities only).

PICO Equity Investors, L.P.

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

2.

(a)

(b)

SEC USE ONLY

3.

CITIZENSHIP OR PLACE OF ORGANIZATION

4.

California

SOLE VOTING POWER

5.

NUMBER OF 0

SHARED VOTING POWER

6.

**SHARES
BENEFICIALLY
OWNED BY**

1,666,667

SOLE DISPOSITIVE POWER

7.

**EACH
REPORTING
PERSON**

1,666,667

SHARED DISPOSITIVE POWER

8.

WITH:

0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9.

1,666,667

**CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
(SEE INSTRUCTIONS)**

10.

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

11.

8.84% (based on 18,833,737 common shares outstanding at December 31, 2007)

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

12.

PN

Item 1.

(a) **Name of Issuer:** PICO Holdings, Inc., a California corporation (Issuer).

(b) **Address of Issuer's Principal Executive Offices:** 875 Prospect Street, Suite 301, La Jolla, CA 92037

Item 2.

(a) **Name of Person Filing:** PICO Equity Investors, L.P.

(b) **Address of Principal Business Office or, if none, Residence:** 875 Prospect Street, Suite 301, La Jolla, CA 92037

(c) **Citizenship:** California

(d) **Title of Class of Securities:** Common Stock, \$0.001 par value per share

(e) **CUSIP Number:** 693366205

Item 3. If this statement is filed pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:

Not applicable

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:** 1,666,667 shares

(b) **Percent of Class:** 8.84%

(c) **Number of shares as to which such person has:**

(i) Sole power to vote or to direct the vote: 0

(ii) Shared power to vote or to direct the vote: 1,666,667

Pursuant to the terms of a limited partnership agreement, the general partner has authority to vote the shares held by PICO Equity Investors, L. P.

(iii) Sole power to dispose or to direct the disposition of: 1,666,667

(iv) Shared power to dispose or to direct the disposition of: 0

Item 5. Ownership of Five Percent or Less of a Class:

Not applicable

Item 6. Ownership of More than Five Percent on Behalf of Another Person:

Not applicable

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company:

Not applicable

Item 8. Identification and Classification of Members of the Group:

Not applicable

Item 9. Notice of Dissolution of Group:

Not applicable

Item 10. Certification:

(a) The following certification shall be included if the statement is filed pursuant to §240.13d-1(b):

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.

Dated: February 11, 2008

PICO EQUITY INVESTORS, L.P.

By: PICO Equity Investors Management,
LLC
General Partner

By: /s/ John R. Hart
John R. Hart, President