

PICO HOLDINGS INC /NEW

Form 8-K

March 02, 2007

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported)

February 28, 2007

PICO HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

California

10-18786

94-2723335

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

875 Prospect Street, Suite 301, La Jolla, California

92037

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code

(858) 456-6022

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Section 1 Registrant's Business Operations

Item 1.01 Entry into a Material Definitive Agreement

On February 28, 2007, PICO Holdings, Inc., a California corporation (PICO), entered into a Securities Purchase Agreement with certain accredited investors pursuant to which PICO sold 2,823,000 newly-issued shares of its common stock at a purchase price of \$37.00 per share, for net proceeds to PICO, after issuance costs, of approximately \$100.2 million. Under the terms of the Securities Purchase Agreement, PICO has agreed to file with the Securities and Exchange Commission, as promptly as possible, a registration statement on Form S-3 to register the 2,823,000 common shares for resale.

The summary of the terms of the Securities Purchase Agreement in the preceding paragraph does not purport to be complete and is qualified in its entirety by reference to the full text of the Securities Purchase Agreement, a form of which is attached hereto as Exhibit 10.11.

Section 3 Securities and Trading Markets

Item 3.02 Unregistered Sales of Equity Securities

On February 28, 2007, PICO completed a private placement of 2,823,000 common shares to accredited investors at a price of \$37.00 per share, or an aggregate offering price of \$104,451,000. These 2,823,000 common shares were sold in a transaction which was exempt from the registration requirements of the Securities Act of 1933, as amended, pursuant to Section 4 (2) thereof, since this was a private placement transaction with a limited number of accredited investors. PICO's press release dated March 1, 2007 announcing the private placement is furnished herewith as Exhibit 99.1.

Section 9 Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

- (a) Not applicable
- (b) Not applicable
- (c) Not applicable
- (d) Exhibits

Exhibit Number	Description
10.11	Form of Securities Purchase Agreement between PICO and the Accredited Investors
99.1	Press Release of PICO dated March 1, 2007

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PICO HOLDINGS, INC.

Date: March 2, 2007

By: /s/ Maxim C. W. Webb

Maxim C. W. Webb
Chief Financial Officer and Treasurer

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