

LUMINENT MORTGAGE CAPITAL INC  
 Form 3  
 August 28, 2007

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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)

<p>1. Name and Address of Reporting Person *</p> <p>Johnston Jay A</p> <p>(Last) (First) (Middle)</p> <p>C/O ACM, CITY VIEW PLAZA              SUITE 800, ROAD 165 KM.              1.2</p> <p>(Street)</p> <p>GUAYNABO, PR 00968</p> <p>(City) (State) (Zip)</p>	<p>2. Date of Event Requiring Statement</p> <p>(Month/Day/Year)</p> <p>08/17/2007</p>	<p>3. Issuer Name and Ticker or Trading Symbol</p> <p>LUMINENT MORTGAGE CAPITAL INC [LUM]</p>	<p>4. Relationship of Reporting Person(s) to Issuer</p> <p>(Check all applicable)</p> <p><input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner  <input type="checkbox"/> Officer <input type="checkbox"/> Other              (give title below) (specify below)</p>	<p>5. If Amendment, Date Original Filed(Month/Day/Year)</p>	<p>6. Individual or Joint/Group Filing(Check Applicable Line)</p> <p><input type="checkbox"/> Form filed by One Reporting Person  <input checked="" type="checkbox"/> Form filed by More than One Reporting Person</p>
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**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Class A Common Stock	1,258,397	I <u>(1)</u> <u>(2)</u> <u>(3)</u>	By self, as owner of LLC

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative	5. Ownership Form of Derivative Security:	6. Nature of Indirect Beneficial Ownership (Instr. 5)
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	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Security	Direct (D) or Indirect (I) (Instr. 5)	
Capital Stock Warrants	08/30/2007	08/30/2012	Class A Common Stock	(4) (5) (6)	\$ 0.18	I (4) (5) (6)	By self, as partial owner of Corporation

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Johnston Jay A C/O ACM, CITY VIEW PLAZA SUITE 800 ROAD 165 KM. 1.2 GUAYNABO, PR 00968	Â	Â X	Â	Â
Ailsa Craig Capital Management LP 20 DAYTON AVENUE GREENWICH, CT 06830	Â	Â	Â	Related to Jay Johnston
Interinvestco LLC 20 DAYTON AVENUE GREENWICH, CT 06830	Â	Â	Â	Related to Jay Johnston

## Signatures

/s/ Jay Johnston, Individually, Manager of Interinvestco LLC and as General Partner of Ailsa Craig Capital Management LP

08/27/2007

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 5(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) Ailsa Craig Capital Management LP ("ACCM") and Interinvestco LLC are additional reporting persons. Western Gables Capital Management LLC ("WGC") is wholly owned by ACCM. On August 10, 2007, WGC purchased 150,000 shares of Class A Common Stock of Luminent. Jay Johnston, as the general partner of ACCM, may be deemed to share beneficial ownership of those Common Shares.

(2) On August 10, 2007, Interinvestco LLC purchased 2,216,795 shares of Class A Common Stock of Luminent. Jay Johnston is a Manager of Interinvestco LLC.

(3) Each of the Reporting Persons disclaims beneficial ownership of any outstanding Common Shares that are not directly owned by that Reporting Person or by an entity that is controlled by that Reporting Person. The Reporting Persons nonetheless are filing jointly because their business and other relationships may cause them to be deemed to share beneficial ownership of Common Shares directly owned by the Reporting Persons.

(4) Jay Johnston directly and indirectly owns outstanding common shares of Arco Capital Corporation Ltd. ("Arco") and may be deemed to beneficially own the warrants to acquire the Luminent Mortgage Capital Inc. ("Luminent") Class A Common Stock owned by Arco. Pursuant to a Warrant Agreement, Arco has the right to purchase, at a price of \$0.18 per share, at any time until the fifth anniversary of the date of the Warrant Agreement, a combination of Class A Common Stock and shares of a newly-created class of non-voting preferred stock of Luminent that in the aggregate represent 51% of the equity of Luminent.

(5) So long as Luminent's 8.125% Convertible Senior Notes due 2027 (the "Convertible Notes") are outstanding and the holders of the Convertible Notes have the right to cause their Convertible Notes to be redeemed following a change in control of Luminent, the maximum number of shares of Class A Common Stock that may be issued to Arco upon the exercise of the Warrants granted under the

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- Warrant Agreement is the number that, together with all other shares of Class A Common Stock beneficially owned by Arco, would result in Arco owning 49% of the issued and outstanding Class A Common Stock of Luminent. Based upon 43,303,004 shares of Class A Common Stock outstanding, if Arco were deemed to be the beneficial owner of the 2,616,795 shares of Common Stock beneficially owned by certain affiliated and associated persons of Arco (including by Mr. Johnston), the maximum number of shares of Class A Common Stock that Arco could acquire upon exercise of the Warrants would be 38,988,052 (representing approximately 47.4% of the shares of Common Stock that would be outstanding following the exercise). Mr. Johnston disclaims beneficial ownership over the Class A Common Stock beneficially owned by Arco except to the extent of his pecuniary interest therein.
- (6)

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.