

LUMINENT MORTGAGE CAPITAL INC  
 Form 3  
 August 27, 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)

1. Name and Address of Reporting Person \*

Arco Capital Corp Ltd  
 (Last) (First) (Middle)

2. Date of Event Requiring Statement

(Month/Day/Year)  
 08/17/2007

3. Issuer Name and Ticker or Trading Symbol

LUMINENT MORTGAGE CAPITAL INC [LUM]

4. Relationship of Reporting Person(s) to Issuer

5. If Amendment, Date Original Filed(Month/Day/Year)

(Check all applicable)

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
 \_\_\_ Officer \_\_\_ Other  
 (give title below) (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 \_\_\_X\_\_\_ Form filed by One Reporting Person  
 \_\_\_ Form filed by More than One Reporting Person

C/O WALKERS SPV  
 LIMITED, WALKER HOUSE,  
 87 MARY STREET  
 (Street)

GEORGE TOWN GRAND  
 CAYMAN, KY1-9002  
 (City) (State) (Zip)

**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)
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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 Security	5. Ownership Form of Derivative Security: Direct (D)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of	

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			Shares		or Indirect (I) (Instr. 5)	
Capital Stock Warrants	08/30/2007	08/30/2012	Class A Common Stock	(1) (2)	\$ 0.18	D

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Arco Capital Corp Ltd C/O WALKERS SPV LIMITED WALKER HOUSE, 87 MARY STREET GEORGE TOWN GRAND CAYMAN, KY1-9002		X		

## Signatures

/s/ Francesco N. Piovanetti, President and Chief Operating Officer

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) Pursuant to a Warrant Agreement, Arco Capital Corporation Ltd. 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 Mortgage Capital Inc. ("Luminent") that in the aggregate represent 51% of the equity of Luminent. 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,

(2) 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 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, 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).

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### Remarks:

Arco Capital Management LLC serves as the external investment manager to Arco Capital Corporation own the shares which Arco Capital Corporation Ltd. has a right to acquire.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, See Instruction 6 for procedure.

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