

CAPITAL SENIOR LIVING CORP  
Form SC 13D/A  
May 18, 2007

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 13D/A**

**Under the Securities Exchange Act of 1934**

**(Amendment No. 7)\***

CAPITAL SENIOR LIVING CORPORATION

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(Name of Issuer)

COMMON STOCK, PAR VALUE \$0.01 PER SHARE

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(Title of Class of Securities)

140475104

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(CUSIP number)

Malcolm F. MacLean IV

c/o Mercury Real Estate Advisors LLC

Three River Road

Greenwich, CT 06807

(203) 869-9191

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

May 16, 2007

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(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 1,181,037  
8. SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0  
EACH 9. SOLE DISPOSITIVE POWER

REPORTING

PERSON 1,181,037  
10. SHARED DISPOSITIVE POWER

WITH

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,181,037

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)

4.5%\*

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

OO Limited Liability Company

\* All percentage ownership reported in this Schedule 13D is based on 26,458,057 shares of Common Stock, par value \$0.01 per share, 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 9, 2007.

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

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6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

7. SOLE VOTING POWER

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REPORTING

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4.5%

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)

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United States

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14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

**CUSIP No. 140475104**

**13D/A**

**Page 5 of 9 pages**

This Amendment No. 7 (the Amendment ) amends and supplements the Schedule 13D as filed on December 2, 2005 and amended on December 22, 2005, April 21, 2006, May 18, 2006, June 21, 2006, October 17, 2006 and December 11, 2006 (the Schedule 13D ), with respect to the shares of Common Stock, par value \$0.01 per share (the Shares ), of Capital Senior Living Corporation, 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:

**Item 2. Identity and Background.**

(a) This statement is being filed by the following persons: Mercury Real Estate Advisors LLC, a Delaware limited liability company ( Advisors ), David R. Jarvis, an individual ( Mr. Jarvis ), and Malcolm F. MacLean IV, an individual ( Mr. MacLean ) and collectively with Advisors and Mr. Jarvis, the Reporting Persons ). Advisors is the investment advisor to the following investment funds that directly hold the Shares reported herein: Mercury Special Situations Fund LP, a Delaware limited partnership; Mercury Special Situations Offshore Fund, Ltd., a British Virgin Island company; Mercury Global Alpha Fund LP, a Delaware limited partnership; Silvercreek SAV LLC, a Delaware limited liability company; and GPC LXV, LLC, a Delaware limited liability company (collectively, the Funds ). Messrs. Jarvis and MacLean are the managing members of Advisors.

**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 \$10,192,645.81. Each of the Funds 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., Silvercreek SAV LLC, Mercury Global Alpha Fund LP and GPC LXV, LLC owned beneficially 322,308; 403,352; 131,748; 194,548; and 129,081 Shares, respectively, representing approximately 1.2%; 1.5%; 0.5%; 0.7% and 0.5% respectively, of the Shares 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 1,181,037 Shares, constituting 4.5% of the 26,458,057 Shares 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 1,181,037 Shares, constituting 4.5% of the 26,458,057 Shares 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, may be deemed to be the beneficial owner of 1,181,037 Shares, constituting 4.5% of the 26,458,057 Shares 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 A attached hereto and incorporated herein by reference.

(d) Not applicable.

(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 Capital Senior Living Corporation, dated December 21, 2005.\*\*
- Exhibit B Letter to the Board of Directors of Capital Senior Living Corporation, dated April 20, 2006.\*\*\*
- Exhibit C Press Release, dated April 20, 2006.\*\*\*
- Exhibit D Letter to the Board of Directors of Capital Senior Living Corporation, dated May 17, 2006.\*\*\*\*
- Exhibit E Press Release, dated May 17, 2006.\*\*\*\*
- Exhibit F Letter to the Board of Directors of Capital Senior Living Corporation, dated June 21, 2006.\*\*\*\*\*
- Exhibit G Letter to the Chairman of the Board and Secretary of Capital Senior Living Corporation, dated December 8, 2006.\*\*\*\*\*
- Exhibit H Schedule of Transactions in Shares of the Issuer.
- Exhibit I Joint Filing Agreement as required by Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as amended.\*

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\* Previously filed with the Schedule 13D on December 2, 2005.

\*\* Previously filed with the Schedule 13D/A on December 22, 2005.

\*\*\* Previously filed with the Schedule 13D/A on April 21, 2006.

\*\*\*\* Previously filed with the Schedule 13D/A on May 18, 2006.

\*\*\*\*\* Previously filed with the Schedule 13D/A on June 21, 2006.

\*\*\*\*\* Previously filed with the Schedule 13D/A on December 11, 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 18, 2007

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 Capital Senior Living Corporation, dated December 21, 2005.\*\*
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- \*\*\*\*\* Previously filed with the Schedule 13D/A on December 11, 2006.

CUSIP No. 140475104

13D/A

Exhibit H

## Schedule of Transactions in Shares of the Issuer

During the Past 60 Days

Mercury Global Alpha Fund LP

Date of Transaction	Quantity Purchased(Sold)(1)	Price/Share \$(2)
4/30/2007	418	11.67160
5/16/2007	(14,754)	11.24383

Silvercreek SAV LLC

Date of Transaction	Quantity Purchased(Sold)(1)	Price/Share \$(2)
4/30/2007	281	11.67160

Mercury Special Situations Fund LP

Date of Transaction	Quantity Purchased(Sold)(1)	Price/Share \$(2)
4/30/2007	1,715	11.67160
5/16/2007	(67,015)	11.24383
5/17/2007	(32,800)	11.03913
5/17/2007	(358,333)	11.02983

Mercury Special Situations Offshore Fund, Ltd.

Date of Transaction	Quantity Purchased(Sold)(1)	Price/Share \$(2)
4/30/2007	2,264	11.67160
5/15/2007	(15,000)	11.33133
5/16/2007	(78,008)	11.24383
5/17/2007	(45,100)	11.03913
5/17/2007	(491,667)	11.02983

GPC LXV, LLC

Date of Transaction	Quantity Purchased(Sold)(1)	Price/Share \$(2)
4/30/2007	322	11.67160
5/09/2007	(2,000)	11.19983
5/14/2007	(15,000)	11.52282

Mercury Real Estate Securities Fund LP

Date of Transaction	Quantity Purchased(Sold)(1)	Price/Share \$(2)
5/16/2007	(90,223)	11.24383

- (1) All purchases/sales were effected through open market or privately negotiated transactions.  
(2) Inclusive of brokerage commissions.