



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

March 1, 2012

Via E-mail

Roberto F. Selva  
Chief Executive Officer  
Shea Homes Limited Partnership and Shea Homes Funding Corp.  
655 Brea Canyon Road  
Walnut, California 91789

**Re: Shea Homes Limited Partnership and Shea Homes Funding Corp.  
Amendment No. 3 to Registration Statement on Form S-4  
Response dated February 24, 2012  
File No. 333-177328**

Dear Mr. Selva:

We have reviewed your response letter dated February 24, 2012 and have the following comments.

Note 20. Segment Information, page F-76

1. We have reviewed your response to comment one in our letter dated February 15, 2012 and have the following additional comments:
  - Please ensure that your MD&A quantifies and discusses the 2009 loss and 2011 gain related to your Trilogy operations in Peoria, Arizona.
  - To the extent that you continue to present house gross margin, a non-GAAP measure, in MD&A, please ensure that you present GAAP gross margin in a more prominent manner.
  - Please clarify for us if you are planning to use pretax loss as your measure of segment profit or loss.

Roberto F. Selva  
Shea Homes Limited Partnership and Shea Homes Funding Corp.  
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You may contact Patricia Armelin, Staff Accountant at (202) 551-3747 or, in her absence, John Cash Accounting Branch Chief at (202) 551-3768 if you have questions regarding comments on the financial statements and related matters. Please contact Sherry Haywood, Staff Attorney at (202) 551-3345 or, in her absence, Craig Slivka, Special Counsel at (202) 551-3729 with any other questions.

Sincerely,

/s/ Craig Slivka, for

Pamela Long  
Assistant Director

Cc: Via E-mail  
Paul Mosley  
Vice President and General Counsel

Andrew L. Fabens  
Gibson, Dunn and Crutcher LLP