

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

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 7)*

Citadel Holding Corporation

(Name of Issuer)

Common Stock, No Par Value

(Title of Class of Securities)

172862104

(CUSIP Number)

Randall J. Demyan,
Dillon Capital Management,
21 East State Street, Suite 1410
Columbus, Ohio 43215
(614) 222-4204

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

December 9, 1994

(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 which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box.

Check the following box if a fee is being paid with the statement _____.
(A fee is not required only if the reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7.)

Note: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) 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).

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SCHEDULE 13D

CUSIP NO. 172862104

Page 2 of 10 Pages

1. NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON:

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*:

a. b.

3. SEC USE ONLY:

4. SOURCE OF FUNDS*:

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

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER: 675,400

8. SHARED VOTING POWER: None

9. SOLE DISPOSITIVE POWER: 675,400

10. SHARED DISPOSITIVE POWER: None

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:

675,400

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*:

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):

10.13%

14. TYPE OF REPORTING PERSON*:

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

INCLUDE BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7 (INCLUDING EXHIBITS) OF THE SCHEDULE, AND THE SIGNATURE ATTESTATION. SCHEDULE 13D

CUSIP NO. 172862104

Page 3 of 10 Pages

1. NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON:

Roderick H. Dillon, Jr.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*:

a. b.

3. SEC USE ONLY:

4. SOURCE OF FUNDS*:

PF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED

PURSUANT TO ITEMS 2(d) or 2(e):

6. CITIZENSHIP OR PLACE OF ORGANIZATION:

U.S.A.

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

- 7. SOLE VOTING POWER: 5,000
- 8. SHARED VOTING POWER: None
- 9. SOLE DISPOSITIVE POWER: 5,000
- 10. SHARED DISPOSITIVE POWER: None

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:

5,000

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*:

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):

.075%

14. TYPE OF REPORTING PERSON*:

IN

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CUSIP NO. 172862104

Page 4 of 10 Pages

1. NAME OF REPORTING PERSON

S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON:

Roderick H. Dillon, Jr. - IRA

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*:

a. b.

3. SEC USE ONLY:

4. SOURCE OF FUNDS*:

PF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e):

6. CITIZENSHIP OR PLACE OF ORGANIZATION:

U.S.A.

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

- 7. SOLE VOTING POWER: 80,000
- 8. SHARED VOTING POWER: None
- 9. SOLE DISPOSITIVE POWER: 80,000
- 10. SHARED DISPOSITIVE POWER: None

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:

80,000

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*:

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):

1.20%

14. TYPE OF REPORTING PERSON*:

IN

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CUSIP NO. 172862104

Page 5 of 10 Pages

1. NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON:

Roderick H. Dillon, Jr. Foundation

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*:

a. b. _____

3. SEC USE ONLY:

4. SOURCE OF FUNDS*:

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:

Ohio

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

- 7. SOLE VOTING POWER: 2,000
- 8. SHARED VOTING POWER: None
- 9. SOLE DISPOSITIVE POWER: 2,000
- 10. SHARED DISPOSITIVE POWER: None

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:

2,000

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*:

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):

.030%

14. TYPE OF REPORTING PERSON*:

00

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(INCLUDING EXHIBITS) OF THE SCHEDULE, AND THE SIGNATURE ATTESTATION.
SCHEDULE 13D

CUSIP NO. 172862104

Page 6 of 10 Pages

1. NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON:

Bradley C. Shoup - IRA

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*:

a. b.

3. SEC USE ONLY:

4. SOURCE OF FUNDS*:

PF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e):

6. CITIZENSHIP OR PLACE OF ORGANIZATION:

United States of America

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER: 2,000
8. SHARED VOTING POWER: None
9. SOLE DISPOSITIVE POWER: 2,000
10. SHARED DISPOSITIVE POWER: None

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:

2,000

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES*:

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):

.030%

14. TYPE OF REPORTING PERSON*:

IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

INCLUDE BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7
(INCLUDING EXHIBITS) OF THE SCHEDULE, AND THE SIGNATURE ATTESTATION.
Supplement to Amendment No. 7 to Schedule 13D

Issuer - Citadel Holding Corporation
Reporting Persons - Dillon Investors, L.P., Roderick H. Dillon,
Jr., Roderick H. Dillon, Jr. - IRA, Roderick H. Dillon, Jr.
Foundation and Bradley C. Shoup - IRA.

Item 1. Security and Issuer

This Amendment No. 7 to Schedule 13D filed by the
reporting persons Dillon Investors, L.P. ("DI"), Roderick H.
Dillon, Jr. ("RHD"), Roderick H. Dillon, Jr.-IRA ("RHD-IRA") and

Roderick H. Dillon, Jr. Foundation ("RHD-Foundation") (collectively, the "Dillon Entities") and Bradley C. Shoup ("Shoup") (the "Dillon Entities" and "Shoup" are collectively referred to as the "Reporting Persons") with the Securities and Exchange Commission (the "SEC") relates to the common stock, without par value ("Common Stock"), of Citadel Holding Corporation, a Delaware corporation (the "Issuer"). The principal executive offices of the Issuer are located at 700 North Central, Suite 500, Glendale, California 91203. This Amendment No. 7 amends certain information set forth in the Schedule 13D filed by the Dillon Entities on March 18, 1994, as amended by Amendment No. 1 filed on September 9, 1994 ("Amendment No. 1"), Amendment No. 2 filed on October 17, 1994 ("Amendment No. 2"), Amendment No. 3 filed on November 4, 1994 ("Amendment No. 3"), Amendment No. 4 filed on November 8, 1994 ("Amendment No. 4"), Amendment No. 5 filed on November 18, 1994 ("Amendment No. 5") and Amendment No.6 filed on December 1, 1994 ("Amendment No. 6") (collectively, the "Previous Amendments").

Item 3. Source and Amount of Funds or Other Consideration

The sole source of the \$190,648.64 used by RHD (through RHD-IRA) in making purchases (all of which have been effected since the filing of Amendment No. 6) of 75,000 shares of the Common Stock of the Issuer came from the personal funds of RHD. No part of the purchase price of the Common Stock of the Issuer acquired by RHD (through RHD-IRA) is represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding, trading or voting such shares of Common Stock.

The sole source of the \$57,054 used by DI in making purchases (all of which have been effected since the filing of Amendment No. 6) of 23,400 shares of the Common Stock of the Issuer came from the working capital of DI. No part of the purchase price of the Common Stock of the Issuer acquired by DI is represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding, trading or voting such shares of Common Stock.

Item 4. Purpose of Transaction

As noted in the Previous Amendments, the Reporting Persons have continued to review and evaluate the Issuer's business and prospects and to follow the price of the Issuer's shares of Common Stock as reported on the various stock exchanges on which such shares are traded. Based upon the prices at which shares of Common Stock have become available since Amendment No. 6 was filed, RHD (through RHD-IRA) and DI decided to acquire the additional shares of the Issuer's Common Stock reported herein.

As noted in Amendment No. 6, DI has continued, and intends to continue, to prosecute the litigation (the "Delaware Litigation") which it commenced in the Court of Chancery of the State of Delaware in and for New Castle County against the Issuer, its present directors and Craig Corporation ("Craig") to invalidate the issuance by the Issuer to Craig of 74,300 shares of Common Stock on October 21, 1994 and of 1,329,114 shares of 3% Cumulative Voting Convertible Preferred Stock (the "New Preferred Stock") on November 10, 1994. The Delaware Litigation is further described in Amendment Nos. 4 and 5. The trial in the Delaware Litigation has been rescheduled for February 14-16, 1995.

Item 5. Interest in Securities of the Issuer

(a)(b) As of the date of this Amendment No. 7, DI, RHD, RHD-IRA, RHD-Foundation and Shoup-IRA owned beneficially 675,400, 5,000, 80,000, 2,000 and 2,000 shares of the Common Stock of the Issuer, respectively. Based on the number of shares of the Issuer's Common Stock outstanding on November 14, 1994 (6,669,924 shares), as reported in the amended preliminary copies of the Notice of Annual Meeting of Stockholders and Proxy Statement (the "Issuer Preliminary Proxy Statement") filed by the Issuer with the SEC on or about November 29, 1994, DI, RHD, RHD-IRA, RHD-Foundation and Shoup-IRA own beneficially approxi-

mately 10.13%, .075%, 1.20%, .030% and .030% of the Issuer's Common Stock, respectively. As noted in Item 4, on November 10, 1994, the Issuer issued to Craig 1,329,114 shares of New Preferred Stock. The New Preferred Stock, which is convertible into shares of Common Stock at any time, votes jointly with the shares of Common Stock on most matters, including the election of directors, on a share-for-share basis. The shares of Common Stock and the shares of New Preferred Stock are collectively referred to as the Voting Stock. DI, RHD, RHD-IRA, RHD-Foundation and Shoup-IRA hold approximately 8.44%, .063%, 1.00%, .025% and .025% of the 7,999,038 shares of Voting Stock reported as outstanding on November 14, 1994 in the Issuer Preliminary Proxy Statement. Each of DI, RHD, RHD-IRA, RHD-Foundation and Shoup-IRA exercises sole voting and investment power with respect to the shares of Common Stock of the Issuer that beneficially owned by such person.

(c) All of the transactions in which shares of Common Stock of the Issuer were purchased by RHD (through RHD-IRA) and DI since the filing of Amendment No. 6 were open market transactions effected on the American Stock Exchange.

The following is a description of the transactions effected by RHD-IRA and DI since the filing of Amendment No. 6:

Purchaser	Date of Purchase	Number of Shares Purchased	Price/Share
RHD-IRA	12/6/94	20,000	\$2.394
RHD-IRA	12/7/94	16,600	\$2.675
RHD-IRA	12/8/94	18,100	\$2.675
RHD-IRA	12/9/94	15,700	\$2.507
RHD-IRA	12/12/94	2,000	\$2.30
RHD-IRA	12/13/94	2,600	\$2.3024
DI	12/13/94	3,400	\$2.31
DI	12/14/94	20,000	\$2.46
DI	12/15/94	5,000	\$2.56

Item 7. Material to Be Filed as Exhibits

Exhibit A - Joint Filing Agreement, dated November 11, 1994, among the Reporting Persons. (Incorporated herein by reference to Exhibit A of Amendment No. 5 to Schedule 13D filed on November 18, 1994 with the SEC).

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: December 16, 1994

Dillon Investors, L.P.

By: /s/ Roderick H. Dillon, Jr.
Roderick H. Dillon, Jr.,
General Partner

Roderick H. Dillon, Jr.

By: /s/ Roderick H. Dillon, Jr.
Roderick H. Dillon, Jr.

Roderick H. Dillon, Jr. - IRA

By: /s/ Roderick H. Dillon, Jr.

Roderick H. Dillon, Jr.

Roderick H. Dillon, Jr. - Foundation

By: /s/ Roderick H. Dillon, Jr.
Roderick H. Dillon, Jr.,
Trustee

Bradley C. Shoup - IRA

By: /s/ Bradley C. Shoup
Bradley C. Shoup