#### WEBER PHILLIP J

Form 4

February 10, 2012

### FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

OMB APPROVAL

Number: 3235-0287

Synings: January 31,

Expires: 2005
Estimated average

burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5

obligations

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

may continue.

See Instruction

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

02/08/2012

02/08/2012

02/09/2011

Stock

Stock

Stock

Common

Common

1. Name and Address of Reporting Person * WEBER PHILLIP J			Symbol	2. Issuer Name <b>and</b> Ticker or Trading Symbol Forestar Group Inc. [FOR]			ng	5. Relationship of Reporting Person(s) to Issuer			
	(Last) 6300 BEE C ROAD, BU		3. Date o (Month/I 02/08/2	f Earliest Tra Day/Year)		J		DirectorX Officer (give below)		Owner r (specify	
	AUSTIN, T	(Street) X 78746		endment, Date nth/Day/Year)	e Original	l		6. Individual or Jo Applicable Line) _X_ Form filed by O Form filed by N Person	-	rson	
	(City)	(State)	(Zip) Tab	le I - Non-De	erivative S	Secur	ities Acq	uired, Disposed of	f, or Beneficial	y Owned	
	1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	Transaction Code (Instr. 8)	4. Securit (A) or Di (Instr. 3, 4)	spose	d of (D)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
	Common	02/08/2012		M	1,003	Δ	0.2	30 581	D		

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

M

D

F

Persons who respond to the collection of information contained in this form are not required to respond unless the form

SEC 1474

(9-02)

 $27,853 \stackrel{(2)}{=}$ 

30,581

28,698

D

D

D

\$0

\$0

A

D

D

(1)

(1)

845

1,883

1

#### Edgar Filing: WEBER PHILLIP J - Form 4

# displays a currently valid OMB control number.

# Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transacti Code (Instr. 8)	5. Number of Deriva Securities Acquired (A) or Disposed (D) (Instr. 3, and 5)	ative es d	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount Underlying Securitie (Instr. 3 and 4)	
				Code V	(A) (I	D)	Date Exercisable	Expiration Date	Title	Amour or Number of Shar
Option (right to buy) (3)	\$ 17.8						02/09/2011	02/09/2020	Common Stock	12,80
Option (right to buy) (4)	\$ 18.59						02/08/2012	02/08/2021	Common Stock	24,72
Stock Appreciation Right (5)	\$ 17.8						02/09/2011	02/09/2020	Common Stock	15,03
Restricted Share Units (6)	<u>(6)</u>						<u>(6)</u>	<u>(6)</u>	Common Stock	7,58
Restricted Share Units (7)	(7)	02/08/2012		M	1,8	883	<u>(7)</u>	<u>(7)</u>	Common Stock	1,88
Performance Units	<u>(8)</u>						(8)	02/08/2014	Common Stock	11,72

## **Reporting Owners**

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		

WEBER PHILLIP J 6300 BEE CAVE ROAD BUILDING TWO, SUITE 500 AUSTIN, TX 78746

**Executive Vice President** 

### **Signatures**

David M. Grimm on behalf of Phillip J.
Weber

02/10/2012

\*\*Signature of Reporting Person Date

Reporting Owners 2

Edgar Filing: WEBER PHILLIP J - Form 4

#### **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 4(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) Restricted stock units vested 2/8/2012. Restricted stock units are being settled for cash based on the fair market value on 2/8/2012.
- (2) In accordance with the Rights Agreement adopted by the Company on December 11, 2007, Preferred Stock Purchase Rights are deemed to be attached to the shares of Common Stock.
- (3) Vesting schedule for Options granted 02/9/2010 Exercise price is \$17.80: Options Exercisable 02/9/2011 3,201; Options Exercisable 02/9/2012 3,202; Options Exercisable 02/9/2013 3,201; and Options Exercisable 02/9/2014 3,202.
- Vesting schedule for Options granted 02/8/2011 Exercise price is \$18.59: Options Exercisable 02/8/2012 6,182; Options Exercisable 02/8/2013 6,182; Options Exercisable 02/8/2014 6,182; and Options Exercisable 02/8/2015 6,182.
- Vesting schedule for Stock Appreciation Rights (SARs) granted 02/9/2010 Exercise price is \$17.80: SARs Exercisable 02/9/2011 (5) 3,758; SARs Exercisable 02/9/2012 3,758; SARs Exercisable 02/9/2013 3,758; and SARs Exercisable 02/9/2014 3,759. SARs will be settled for cash.
- (6) Restricted share units granted on 2/9/2010 will vest effective 2/9/2013. Restricted share units will be settled for cash based on the fair market value on vesting date subject to a 1% ROA performance criteria.
- (7) Restricted share units granted on 2/8/2011 will vest as follows: 1,883 on 2/8/2012; 1,882 on 2/8/2013; 1,883 on 2/8/2014. Restricted share units will be settled for cash based on the fair market value on vesting date.
- (8) Number of units received upon vesting will vary depending upon performance of Company stock over the performance period.

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.