Brown Kathleen Form 4 November 15, 2012

#### FORM 4

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

OMB Number: 3235-0287

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: January 31, 2005
Estimated average

**OMB APPROVAL** 

Form 4 or Form 5 obligations may continue.

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

burden hours per response... 0.5

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person \* 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading Brown Kathleen Issuer Symbol Forestar Group Inc. [FOR] (Check all applicable) (First) (Middle) (Last) 3. Date of Earliest Transaction (Month/Day/Year) X\_ Director 10% Owner Officer (give title Other (specify 6300 BEE CAVE 11/13/2012 below) ROAD, BUILDING TWO, SUITE 500 (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) \_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

AUSTIN, TX 78746

(State)

(Zip)

(City)

1. Title of 2. Transaction Date 2A. Deemed 3. 4. Securities 5. Amount of 6. Ownership 7. Nature of Security (Month/Day/Year) Execution Date, if TransactionAcquired (A) or Securities Form: Direct Indirect (Instr. 3) Code Disposed of (D) Beneficially (D) or Beneficial (Instr. 3, 4 and 5) Ownership (Month/Day/Year) (Instr. 8) Owned Indirect (I) Following (Instr. 4) (Instr. 4)

Code V Amount (D) Price (Instr. 3 and 4)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

Reported

Common Stock 11/13/2012 A  $\frac{1,696}{(1)}$  A  $\$ 0 21,653 \frac{(2)}{(2)}$  D

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474

(9-02)

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

#### Edgar Filing: Brown Kathleen - Form 4

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. Transactic Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		te	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. F Der Sec (Ins
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Option (right to buy) (3)	\$ 28.85					02/12/2009	02/12/2018	Common Stock	20,000	
Restricted Share Units (4)	<u>(4)</u>					<u>(4)</u>	<u>(4)</u>	Common Stock	1,498	

### **Reporting Owners**

Reporting Owner Name / Address	Relationships					
1	Director	10% Owner	Officer	Other		
Brown Kathleen 6300 BEE CAVE ROAD BUILDING TWO, SUITE 500 AUSTIN, TX 78746	X					

## **Signatures**

David M. Grimm signing on behalf of Kathleen 11/15/2012 Brown

> \*\*Signature of Reporting Person Date

#### **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 accrued under a Company Plan to be settled following Reporting Person's retirement.
- 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.
- Options Vesting Schedule for Options Granted 02/12/2008 Exercise price is \$28.85: Options Exerciserable 02/12/2009 6,500; Options **(3)** Exerciserable 02/12/2010 - 6,500; Options Exerciserable 02/12/2011 - 7,000.
- Restricted share units accrued under a Company plan to be settled in cash following Reporting Person's retirement. Restricted share units are vested on the date of grant and have the economic equivalent of one share of common stock.

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.

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