

WEBER PHILLIP J  
Form 4  
November 15, 2012

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**WEBER PHILLIP J**

2. Issuer Name and Ticker or Trading Symbol  
**Forestar Group Inc. [FOR]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
**6300 BEE CAVE  
ROAD, BUILDING TWO, SUITE  
500**

3. Date of Earliest Transaction  
(Month/Day/Year)  
**11/13/2012**

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
**Executive Vice President**

**AUSTIN, TX 78746**

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting Person

(City) (State) (Zip)

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

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | Code V Amount (D) Price   |   |  |                                   |
| Common Stock                    | 11/13/2012                           |  | F                              | 3,881 D \$ 14.59  | 23,972 <sup>(1)</sup>   | D  |                                   |

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

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SEC 1474 (9-02)

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

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| 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. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                      | Amount or Number of Shares |
| Option (right to buy) <sup>(2)</sup>       | \$ 17.8  |                                      |  |                                |   | 02/09/2011   | 02/09/2020  | Common Stock               | 12,806                     |
| Option (right to buy) <sup>(3)</sup>       | \$ 18.59   |                                      |  |                                |   | 02/08/2012   | 02/08/2021  | Common Stock               | 24,728                     |
| Option (right to buy) <sup>(4)</sup>       | \$ 16.11   |                                      |  |                                |   | 02/14/2013   | 02/14/2022  | Common Stock               | 29,506                     |
| Stock Appreciation Right <sup>(5)</sup>    | \$ 17.8  |                                      |  |                                |   | 02/09/2011   | 02/09/2020  | Common Stock               | 15,033                     |
| Restricted Share Units <sup>(6)</sup>      | <sup>(6)</sup>   |                                      |  |                                |   | <sup>(6)</sup>   | <sup>(6)</sup>  | Common Stock               | 7,584                      |
| Restricted Share Units <sup>(7)</sup>      | <sup>(7)</sup>   |                                      |  |                                |   | <sup>(7)</sup>   | <sup>(7)</sup>  | Common Stock               | 1,883                      |
| Restricted Share Units <sup>(8)</sup>      | <sup>(8)</sup>   |                                      |  |                                |   | <sup>(8)</sup>   | <sup>(8)</sup>  | Common Stock               | 11,173                     |
| Performance Units <sup>(9)</sup>           | <sup>(9)</sup>   |                                      |  |                                |   | <sup>(9)</sup>   | 02/08/2014  | Common Stock               | 11,721                     |
| Performance Units <sup>(9)</sup>           | <sup>(9)</sup>   |                                      |  |                                |   | <sup>(9)</sup>   | 02/14/2015  | Common Stock               | 14,690                     |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                          |       |
|--|---------------|-----------|--------------------------|-------|
|  | Director      | 10% Owner | Officer                  | Other |
| WEBER PHILLIP J<br>6300 BEE CAVE ROAD<br>BUILDING TWO, SUITE 500<br>AUSTIN, TX 78746 |               |           | Executive Vice President |       |

## Signatures

David M. Grimm on behalf of Phillip J.  
Weber

11/15/2012

\_\_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) 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.
- (2) 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.
- (3) 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.
- (4) Vesting schedule for Options granted 02/14/2012 - Exercise price is \$16.11: Options Exercisable 02/14/2013 - 7,376; Options Exercisable 02/14/2014 - 7,377; Options Exercisable 02/14/2015 - 7,376; and Options Exercisable 02/14/2016 - 7,377.
- (5) Vesting schedule for Stock Appreciation Rights (SARs) granted 02/9/2010 - Exercise price is \$17.80: SARs Exercisable 02/9/2011 - 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) Restricted share units granted on 2/14/2012 will vest as follows: 3,725 on 2/14/2013; 3,724 on 2/14/2014; 3,724 on 2/14/2015. Restricted share units will be settled for cash based on the fair market value on vesting date.
- (9) 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.

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