

Forestar Group Inc.  
Form 4  
February 12, 2015

**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 \*  
Grimm David M

(Last) (First) (Middle)

6300 BEE CAVE  
ROAD, BUILDING TWO, SUITE  
500

(Street)

AUSTIN, TX 78746

(City) (State) (Zip)

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

3. Date of Earliest Transaction  
(Month/Day/Year)  
02/10/2015

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Chief Administrative Officer

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

**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 or (D) Price   |  |                                   |
| Common Stock                    | 02/11/2015                           |  | M                              |   | 1,846 (1) \$ 0  | 49,788   | D                                 |
| Common Stock                    | 02/11/2015                           |  | D                              |   | 1,846 (1) \$ 14.1   | 47,942 (2)   | D                                 |
| Common Stock                    |                                      |  |                                |   |   | 1,000  | I By Spouse                       |

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

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SEC 1474 (9-02)

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**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. 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 Underlying Security (Instr. 3 and 4) |
|---|--|--------------------------------------|--|--------------------------------|---|--|-----------------|---|
|   |  |                                      |  |                                |   | Date Exercisable   | Expiration Date |   |
| Option (right to buy) <sup>(3)</sup> <sup>(4)</sup> | \$ 27.06   |                                      |  |                                |   | 02/03/2007   | 02/03/2016      | Common Stock                                      |
| Option (right to buy) <sup>(4)</sup> <sup>(5)</sup> | \$ 30.56   |                                      |  |                                |   | 02/02/2008   | 02/02/2017      | Common Stock                                      |
| Option (right to buy) <sup>(6)</sup>                | \$ 28.85   |                                      |  |                                |   | 02/12/2009   | 02/12/2018      | Common Stock                                      |
| Option (right to buy) <sup>(7)</sup>                | \$ 17.8  |                                      |  |                                |   | 02/09/2011   | 02/09/2020      | Common Stock                                      |
| Option (right to buy) <sup>(8)</sup>                | \$ 18.59   |                                      |  |                                |   | 02/08/2012   | 02/08/2021      | Common Stock                                      |
| Option (right to buy) <sup>(9)</sup>                | \$ 16.11   |                                      |  |                                |   | 02/14/2013   | 02/14/2022      | Common Stock                                      |
| Option (right to buy) <sup>(10)</sup>               | \$ 18.7  |                                      |  |                                |   | 02/12/2014   | 02/12/2023      | Common Stock                                      |
| Option (right to buy) <sup>(11)</sup>               | \$ 14.08   | 02/10/2015                           |  | A                              | 22,971  | 02/10/2016   | 02/10/2025      | Common Stock                                      |
| Stock Appreciation Right <sup>(12)</sup>            | \$ 17.8  |                                      |  |                                |   | 02/09/2011   | 02/09/2020      | Common Stock                                      |
| Restricted Share Units <sup>(13)</sup>              | <sup>(13)</sup>  |                                      |  |                                |   | <sup>(13)</sup>  | <sup>(13)</sup> | Common Stock                                      |
| Restricted Share Units <sup>(14)</sup>              | <sup>(14)</sup>  |                                      |  |                                |   | <sup>(14)</sup>  | <sup>(14)</sup> | Common Stock                                      |
| Restricted Share Units <sup>(15)</sup>              | <sup>(15)</sup>  | 02/11/2015                           |  | M                              | 1,846   | <sup>(15)</sup>  | <sup>(15)</sup> | Common Stock                                      |
| Market Stock Units                                  | <sup>(16)</sup>  |                                      |  |                                |   | <sup>(16)</sup>  | 02/14/2015      | Common Stock                                      |



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Vesting schedule for Stock Appreciation Rights (SARs) granted 02/09/2010 - Exercise price is \$17.80: SARs Exercisable 02/09/2011 - 3,157; SARs Exercisable 02/09/2012 - 3,157; SARs Exercisable 02/09/2013 - 3,157; and SARs Exercisable 02/09/2014 - 3,157. SARs will be settled for cash.

- (13) Restricted share units granted on 02/14/2012 will vest as follows: 3,001 on 02/14/2013; 3,000 on 02/14/2014; 3,000 on 02/14/2015. Restricted share units will be settled for cash based on the fair market value on vesting date.
- (14) Restricted share units granted on 02/12/2013 will vest as follows: 2,028 on 02/12/2014; 2,027 on 02/12/2015; 2,027 on 02/12/2016. Restricted share units will be settled for cash based on the fair market value on vesting date.
- (15) Restricted share units granted on 02/11/2014 will vest as follows: 1,846 on 02/11/2015; 1,845 on 02/11/2016; 1,846 on 02/11/2017. Restricted share units will be settled for cash based on the fair market value on vesting date.
- (16) 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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