

MULAC JOSEPH CARL III  
 Form 4  
 October 27, 2010

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 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 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 \*  
 MULAC JOSEPH CARL III

2. Issuer Name and Ticker or Trading Symbol  
 AVATAR HOLDINGS INC  
 [AVTR]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 201 ALHAMBRA CIRCLE, 12TH FLOOR

3. Date of Earliest Transaction (Month/Day/Year)  
 10/25/2010

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 EXECUTIVE VICE PRESIDENT

(Street)  
 CORAL GABLES, FL 33134

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 Indirect Beneficial Ownership (Instr. 4)
				Code V	Amount	(A) or (D)	Price
RESTRICTED COMMON STOCK <sup>(1)</sup> <sub>(2)</sub>	10/25/2010		A		180,000	A	\$ 0
							<sup>(1)</sup> <sub>(2)</sub>

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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6)
				Code V (A) (D)		Date Exercisable      Expiration Date	Title	Amount or Number of Shares	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MULAC JOSEPH CARL III 201 ALHAMBRA CIRCLE 12TH FLOOR CORAL GABLES, FL 33134			EXECUTIVE VICE PRESIDENT	

## Signatures

JUANITA I. KERRIGAN, ATTORNEY-IN-FACT FOR JOSEPH CARL MULAC, III 10/27/2010

\*\*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) Of the 180,000 Restricted Shares of Common Stock (the "Shares") awarded, 36,000 Shares (the "time based award") vest incrementally over a time period ending December 31, 2014, and up to 144,000 Shares (the "performance based award") vest depending upon the price of the Issuer's Common Stock being at least equal to specified hurdle prices (ranging from \$25 to \$40) for 20 trading days out of any consecutive 30-day periods of time at dates through December 31, 2015, in each case subject to the Reporting Person's continued employment with the Issuer. (See Note 2 for a continued description of the terms and conditions of the award of the Shares.)
- Subject to the terms of that certain Employment Agreement dated as of October 25, 2010 between the Issuer and the Reporting Person (the "Agreement"), in the event the Reporting Person's employment is terminated by the Issuer without Cause (as such term is defined in the Agreement) or the Reporting Person terminates his employment for Good Reason (as such term is defined in the Agreement),
- (2) Reporting Person will be entitled to receive: (a) a number of the time based Shares that will vest as of the date of termination based on the number of Shares that would have vested during that year and the number of days Reporting Person worked that year; and (b) any performance based Shares that would have vested on December 31 of the year in which termination occurs (because some or all of the applicable provisions of the Agreement were satisfied before the date of such termination).

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.