

Portwood Charles J.
Form 4
February 16, 2012

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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 *
Portwood Charles 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

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
02/14/2012

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr. Vice President - Land Mgmt

AUSTIN, TX 78746

(City) (State) (Zip)

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

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)
				(A) or (D)	Price		
Common Stock	02/14/2012		A	5,431 (1)	\$ 0	16,268 (2)	D

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

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(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) <u>(3)</u> <u>(4)</u>	\$ 15.02					02/06/2005	02/06/2014	Common Stock	266
Option (right to buy) <u>(3)</u> <u>(5)</u>	\$ 20.26					02/04/2006	02/04/2015	Common Stock	1,25
Option (right to buy) <u>(3)</u> <u>(6)</u>	\$ 27.06					02/03/2007	02/03/2016	Common Stock	1,28
Option (right to buy) <u>(3)</u> <u>(7)</u>	\$ 30.56					02/02/2008	02/02/2017	Common Stock	1,70
Option (right to buy) <u>(8)</u>	\$ 28.85					02/12/2009	02/12/2018	Common Stock	6,30
Option (right to buy) <u>(9)</u>	\$ 17.8					02/09/2011	02/09/2020	Common Stock	3,58
Option (right to buy) <u>(10)</u>	\$ 18.59					02/08/2012	02/08/2021	Common Stock	5,93
Option (right to buy) <u>(11)</u>	\$ 16.11	02/14/2012		A	9,388	02/14/2013	02/14/2022	Common Stock	9,38
Stock Appreciation Right <u>(12)</u>	\$ 9.29					02/12/2010	02/12/2019	Common Stock	19,03
Stock Appreciation Right <u>(13)</u>	\$ 17.8					02/09/2011	02/09/2020	Common Stock	4,20
Restricted Share Units <u>(14)</u>	<u>(14)</u>					<u>(14)</u>	<u>(14)</u>	Common Stock	2,12
Restricted Share Units <u>(15)</u>	<u>(15)</u>					<u>(15)</u>	<u>(15)</u>	Common Stock	1,07
Restricted Share Units <u>(16)</u>	<u>(16)</u>	02/14/2012		A	4,765	<u>(16)</u>	<u>(16)</u>	Common Stock	4,76

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