

Dickson Bruce Fairchild  
 Form 4  
 February 14, 2013

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2015  
 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 \*  
 Dickson Bruce Fairchild

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)  
 02/12/2013

\_\_\_\_ Director  
 Officer (give title below)  
 \_\_\_\_ 10% Owner  
 \_\_\_\_ Other (specify below)  
 Chief Real Estate Officer

(Street)  
 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)
Common Stock				(A) or (D) Code V Amount (D) Price	19,623 <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)
Option (right to buy) <sup>(2)</sup>	\$ 16.11					02/14/2013 02/14/2022	Common Stock 34,8
Option (right to buy) <sup>(3)</sup>	\$ 18.7	02/12/2013		A	29,240	02/12/2014 02/12/2023	Common Stock 29,2
Restricted Share Units <sup>(4)</sup>	<sup>(4)</sup>					<sup>(4)</sup> <sup>(4)</sup>	Common Stock 13,6
Restricted Share Units <sup>(5)</sup>	<sup>(5)</sup>	02/12/2013		A	7,804	<sup>(5)</sup> <sup>(5)</sup>	Common Stock 7,8
Performance Units <sup>(6)</sup>	<sup>(6)</sup>					<sup>(6)</sup> 02/14/2015	Common Stock 17,3
Performance Units <sup>(6)</sup>	<sup>(6)</sup>	02/12/2013		A	14,227	<sup>(6)</sup> 02/12/2016	Common Stock 14,2

### Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Dickson Bruce Fairchild 6300 BEE CAVE ROAD BUILDING TWO, SUITE 500 AUSTIN, TX 78746			Chief Real Estate Officer	

### Signatures

David M. Grimm signing on behalf of Bruce F. Dickson	02/14/2013
<sup>(2)</sup> 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)

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Vesting schedule for Options granted 02/14/2012 - Exercise price is \$16.11: Options Exercisable 02/14/2013 - 8,717; Options Exercisable 02/14/2014 - 8,718; Options Exercisable 02/14/2015 - 8,718; and Options Exercisable 02/14/2016 - 8,718.

- (3) Vesting schedule for Options granted 02/12/2013 - Exercise price is \$18.70: Options Exercisable 02/12/2014 - 7,310; Options Exercisable 02/12/2015 - 7,310; Options Exercisable 02/12/2016 - 7,310; and Options Exercisable 02/12/2017 - 7,310.
- (4) Restricted share units granted on 02/14/2012 will vest as follows: 4,552 on 02/14/2013; 4,552 on 02/14/2014; 4,552 on 02/14/2015. Restricted share units will be settled for cash based on the fair market value on vesting date.
- (5) Restricted share units granted on 02/12/2013 will vest as follows: 2,602 on 02/12/2014; 2,601 on 02/12/2015; 2,601 on 02/12/2016. Restricted share units will be settled for cash based on the fair market value on vesting date.
- (6) 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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