

Forestar Group Inc.  
Form 4  
February 16, 2016

**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 \*  
Quinley Michael 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)  
02/11/2016

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
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 or Price   |  |                                   |   |
| Common Stock                    | 02/11/2016                           |  | M                              |   | 2,049<br>(1)  | A  | \$ 0 19,986                       | D |
| Common Stock                    | 02/11/2016                           |  | D                              |   | 2,049<br>(1)  | D  | \$ 8.4 17,937                     | D |
| Common Stock                    | 02/12/2016                           |  | M                              |   | 2,146<br>(2)  | A  | \$ 0 20,083                       | D |
| Common Stock                    | 02/12/2016                           |  | D                              |   | 2,146<br>(2)  | D  | \$ 8.6 17,937                     | D |
| Common Stock                    | 02/12/2016                           |  | M                              |   | 3,809<br>(3)  | A  | (3) 21,746                        | D |

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Common Stock      02/12/2016      F      1,473      D      \$ 8.6      20,273      D

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

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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 Amount of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable      Expiration Date                    | Title      Amount or Number of Shares                         |
| Option (right to buy)                      | \$ 17.8  |                                      |  |                                |   | <u>(4)</u> 02/09/2020                                    | Common Stock      6,65  |
| Option (right to buy)                      | \$ 18.59   |                                      |  |                                |   | <u>(4)</u> 02/08/2021                                    | Common Stock      14,83                                       |
| Option (right to buy)                      | \$ 16.11   |                                      |  |                                |   | <u>(4)</u> 02/14/2022                                    | Common Stock      16,09                                       |
| Option (right to buy) <u>(5)</u>           | \$ 18.7  |                                      |  |                                |   | 02/12/2014      02/12/2023                               | Common Stock      14,62                                       |
| Option (right to buy) <u>(6)</u>           | \$ 14.08   |                                      |  |                                |   | 02/10/2016      02/10/2025                               | Common Stock      18,37                                       |
| Option (right to buy) <u>(7)</u>           | \$ 13.43   |                                      |  |                                |   | 09/25/2016      09/25/2025                               | Common Stock      25,65                                       |
| Stock Appreciation Right <u>(8)</u>        | \$ 9.29  |                                      |  |                                |   | <u>(8)</u> 02/10/2019                                    | Common Stock      25,38                                       |
| Stock Appreciation Right <u>(8)</u>        | \$ 17.8  |                                      |  |                                |   | <u>(8)</u> 02/09/2020                                    | Common Stock      7,81  |
| Restricted Share Units <u>(9)</u>          | <u>(9)</u>   | 02/12/2016                           |  | M                              | 2,146   | <u>(9)</u> <u>(9)</u>                                    | Common Stock      2,14  |
|  | <u>(10)</u>  | 02/11/2016                           |  | M                              | 2,049   | <u>(10)</u> <u>(10)</u>                                  | 2,04  |



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- (8) Stock Appreciation Rights (SARs) are fully vested and exercisable as of the date of this report.
- (9) Restricted share units granted on 02/12/2013 will vest on 02/12/2016. Restricted share units will be settled for cash based on the fair market value on vesting date.
- (10) Restricted share units granted on 02/11/2014 will vest as follows: 2,049 on 02/11/2016; 2,049 on 02/11/2017. Restricted share units will be settled for cash based on the fair market value on vesting date.
- (11) Restricted share units granted on 09/25/2015 will vest on 09/25/2018. Restricted share units will be settled for cash based on the fair market value on vesting date.
- (12) Restricted share units granted on 02/09/2016 will vest as follows: 13,566 on 02/09/2017; 13,566 on 02/09/2018; 13,566 on 02/09/2019. Restricted share units will be settled with stock.
- (13) Number of shares to be 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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