Forestar Group Inc. Form 4 February 15, 2012

## FORM 4

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

**OMB** 

Washington, D.C. 20549

3235-0287 Number: January 31, Expires:

2005

**OMB APPROVAL** 

if no longer subject to Section 16. Form 4 or

Check this box

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES** 

Estimated average burden hours per response... 0.5

Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person ** BRILL LOUIS			2. Issuer Name and Ticker or Trading Symbol Forestar Group Inc. [FOR]	5. Relationship of Reporting Person(s) to Issuer			
(Last)	(First)	(Middle)	3. Date of Earliest Transaction	(Check all applicable)			
6300 BEE 0	, ,	, ,	(Month/Day/Year) 02/14/2012	_X_ Director 10% Owner Officer (give title below) Other (specify below)			
ALICTINI T	(Street)		4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting			
AUSTIN, T	(State)	(Zip)	Table I - Non-Derivative Securities A	Person  cquired, Disposed of, or Beneficially Owned			
1 Title of	2. Transaction	on Date 2A De	emed 3 4 Securities	5 Amount of 6 Ownership 7 Nature			

Table I.	Non-I	Derivative	Securities	Acquired	Disnosed	of or	Beneficially	Owned
Table I.	- 14011-1	Derivative	Secul mes	Acuun eu.	Dispuseu	OI. OI	Denenciany	Owneu

(City)	(State) (2	Table	e I - Non-De	erivative S	Securi	ties Ac	quired, Disposed	of, or Beneficia	lly Owned
1.Title of Security	2. Transaction Date (Month/Day/Year)	Execution Date, if	3. Transactio	*	(A) o		5. Amount of Securities	6. Ownership Form: Direct	7. Nature of Indirect
(Instr. 3)		any (Month/Day/Year)	Code (Instr. 8)	Disposed (Instr. 3,	`	1	Beneficially Owned Following Reported Transaction(s)	(D) or Indirect (I) (Instr. 4)	Beneficial Ownership (Instr. 4)
Common Stock	02/14/2012		Code V A	Amount 6,812 (1)	(D)	Price \$ 0	(Instr. 3 and 4) 18,031 (2)	D	
Common Stock							9,695 <u>(2)</u>	I	by Lynn Brill ByPass Trust

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control

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#### number.

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. Transactic Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. F Der Sec (Ins
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Option (right to buy) (3)	\$ 28.85					02/12/2009	02/12/2018	Common Stock	20,000	
Restricted Share Units (4)	<u>(4)</u>					<u>(4)</u>	<u>(4)</u>	Common Stock	1,797	

# **Reporting Owners**

Reporting Owner Name / Address	Relationships					
Topolonig o who I tame, I tau top	Director	10% Owner	Officer	Other		
BRILL LOUIS 6300 BEE CAVE ROAD BUILDING TWO, SUITE 500 AUSTIN, TX 78746	X					

## **Signatures**

David M. Grimm signing on behalf of Louis R.
Brill
02/15/2012

\*\*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) Restricted stock units accrued under a Company Plan to be settled following Reporting Person's retirement.
- (2) 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.
- Options Vesting Schedule for Options Granted 02/12/2008 Exercise price is \$28.85: Options Exercisable 02/12/2009 6,500; Options Exercisable 02/12/2010 6,500; Options Exercisable 02/12/2011 7,000.

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(4) Restricted share units accrued under a Company plan to be settled in cash following Reporting Person's retirement. Restricted share units are vested on the date of grant and have the economic equivalent of one share of common stock.

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.