

Forestar Group Inc.  
Form 4  
February 13, 2017

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

OMB APPROVAL

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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 \*  
Quinley Michael J.

(Last) (First) (Middle)

6300 BEE CAVE  
ROAD, BUILDING TWO, SUITE  
500

(Street)

AUSTIN, TX 78746

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
Forestar Group Inc. [FOR]

3. Date of Earliest Transaction  
(Month/Day/Year)  
02/09/2017

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
President

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. 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	02/09/2017		M		13,556 (1)	A	\$ 0 33,839 D
Common Stock	02/09/2017		F		4,866	D	\$ 12.7 28,973 D
Common Stock	02/11/2017		M		2,049 (2)	A	\$ 0 31,022 D
Common Stock	02/11/2017		D		2,049 (2)	D	\$ 13 28,973 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)

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 Security (Instr. 3 and 4)	Amount or Number of Shares
Option (right to buy)	\$ 17.8					<u>(3)</u> 02/09/2020	Common Stock	6,6
Option (right to buy)	\$ 18.59					<u>(3)</u> 02/08/2021	Common Stock	14,8
Option (right to buy)	\$ 16.11					<u>(3)</u> 02/14/2022	Common Stock	16,0
Option (right to buy) <u>(4)</u>	\$ 18.7					02/12/2014 02/12/2023	Common Stock	14,6
Option (right to buy) <u>(5)</u>	\$ 14.08					02/10/2016 02/10/2025	Common Stock	18,3
Option (right to buy) <u>(6)</u>	\$ 13.43					09/25/2016 09/25/2025	Common Stock	25,6
Stock Appreciation Right <u>(7)</u>	\$ 9.29					<u>(7)</u> 02/10/2019	Common Stock	25,3
Stock Appreciation Right <u>(7)</u>	\$ 17.8					<u>(7)</u> 02/09/2020	Common Stock	7,8
Restricted Share Units <u>(8)</u>	<u>(8)</u>	02/11/2017		M	2,049	<u>(8)</u> <u>(8)</u>	Common Stock	2,0
Restricted Share Units <u>(9)</u>	<u>(9)</u>					<u>(9)</u> <u>(9)</u>	Common Stock	12,1
Restricted Share Units <u>(10)</u>	<u>(10)</u>	02/09/2017		M	13,566	<u>(10)</u> <u>(10)</u>	Common Stock	13,5

Market Stock Units <u>(11)</u>	<u>(11)</u>	<u>(11)</u>	02/11/2017	Common Stock	5,1
Market Stock Units <u>(11)</u>	<u>(11)</u>	<u>(11)</u>	02/10/2018	Common Stock	18,5

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Quinley Michael J. 6300 BEE CAVE ROAD BUILDING TWO, SUITE 500 AUSTIN, TX 78746			President	

## Signatures

David M. Grimm signing on behalf of Michael J.  
Quinley 02/13/2017

\_\_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 share units vested 02/09/2017. Restricted stock units are being settled in stock.
- (2) Restricted share units vested 02/11/2017. Restricted stock units are being settled for cash based on the fair market value on 02/11/2017.
- (3) Options are fully vested and exercisable as of the date of this report.
- (4) Vesting schedule for Options granted 02/12/2013 - Exercise price is \$18.70: Options Exercisable 02/12/2014 - 3,655; Options Exercisable 02/12/2015 - 3,655; Options Exercisable 02/12/2016 - 3,655; and Options Exercisable 02/12/2017 - 3,655.
- (5) Vesting schedule for Options granted 02/10/2015 - Exercise price is \$14.08: Options Exercisable 02/10/2016 - 4,594; Options Exercisable 02/10/2017 - 4,594; Options Exercisable 02/10/2018 - 4,594; and Options Exercisable 02/10/2019 - 4,595.
- (6) Vesting schedule for Options granted 09/25/2015 - Exercise price is \$13.43, however, options will not be exercisable unless stock price exceeds \$17.50 per share: Options Exercisable 09/25/2016 - 8,550; Options Exercisable 09/25/2017 - 8,550; Options Exercisable 09/25/2018 - 8,550.
- (7) Stock Appreciation Rights (SARs) are fully vested and exercisable as of the date of this report.
- (8) 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.
- (9) 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.
- (10) 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.
- (11) 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. 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.