#### Edgar Filing: Forestar Real Estate Group Inc. - Form 4

Forestar Real Estate Group Inc. Form 4 February 14, 2008

February 14,	, 2008										
FORM 4 UNITED STATES SECURITIES AND EXCHANCE COMMISSION									OMB APPROVAL		
Washington, D.C. 20549								OMB Number:	3235-0287		
								•			
(Print or Type I	Responses)										
1. Name and A Grimm Dav	2. Issuer Name <b>and</b> Ticker or Trading Symbol Forestar Real Estate Group Inc. [FOR]					5. Relationship of Reporting Person(s) to Issuer (Check all applicable)					
(Last) (First) (Middle) 1300 SOUTH MOPAC EXPRESSWAY 3-SOUTH			3. Date of Earliest Transaction (Month/Day/Year) 02/12/2008					Director 10% Owner X Officer (give title Other (specify below) below) Chief Administrative Officer			
	4. If Amendment, Date Original Filed(Month/Day/Year)					<ul> <li>6. Individual or Joint/Group Filing(Check Applicable Line)</li> <li>_X_ Form filed by One Reporting Person</li> <li> Form filed by More than One Reporting</li> </ul>					
AUSTIN, T	X 78746							Person	lore than One Ke	porung	
(City)	(State)	Zip)	Tabl	e I - Non-D	erivative	Secur	ities Acq	uired, Disposed of	, or Beneficial	ly Owned	
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	Execution any		Date, if Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5) y/Year) (Instr. 8) (A) or			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)			
Common Stock	02/12/2008	02/12/2	008	Code V A	Amount 8,600 (1)	(D) A	Price \$ 28.85	9,060 <u>(2)</u>	D		
Common Stock								397 <u>(3)</u>	I	By Trustee 401(k) Plan	
Densin Iem D		611									

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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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. Transacti Code (Instr. 8)	5. Numbe orDerivativ Securities Acquired or Dispos (D) (Instr. 3, 4 and 5)	e (A) ed of			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) $(4) (5)$	\$ 13.26						02/01/2003	02/01/2012	Common Stock	666
Option (right to buy) $(5)$ $(6)$	\$ 9.83						08/01/2004	08/01/2013	Common Stock	533
Option (right to buy) $(5)$ $(7)$	\$ 15.02						02/06/2006	02/06/2014	Common Stock	400
Option (right to buy) $(5)$ $(8)$	\$ 20.26						02/04/2006	02/04/2015	Common Stock	533
Option (right to buy) $(5) (9)$	\$ 27.06						02/03/2007	02/03/2016	Common Stock	1,708
Option (right to buy) <u>(5) (10)</u>	\$ 30.56						02/02/2008	02/02/2017	Common Stock	1,708
Option (right to buy) $\frac{(11)}{2}$	\$ 28.85	02/12/2008	02/12/2008	А	22,300		02/12/2009	02/12/2018	Common Stock	22,300
Restricted $(5)$	<u>(12)</u>						(12)	(12)	Common Stock	700
Restricted	<u>(13)</u>						(13)	(13)	Common Stock	700

# **Reporting Owners**

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
Grimm David M			Chief Administrative Officer			

1300 SOUTH MOPAC EXPRESSWAY 3-SOUTH AUSTIN, TX 78746

## Signatures

David M. Grimm

02/14/2008

<u>\*\*</u>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 Shares granted on 2/12/2008 will vest effective 2/12/2011.
- (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.
- Reporting Person acquired additional shares through on-going acquisitions under 401(k) plan. By trustee of the Temple-Inland Salaried
   (3) Savings Plan according to the latest report of the Plan Administrator. (Note: Trustee uses unit accounting; therefore, share equivalents may fluctuate slightly from month to month.)
- (4) Options Vesting Schedule Exercise price is \$13.26: Options Exercisable 02/01/2006 666.
- (5) Shares acquired in a pro rata distribution by Temple-Inland Inc. through a spin-off on or around December 28, 2007.
- (6) Options Vesting Schedule Exercise price is \$9.83: Options Exercisable 08/01/2007 533.
- (7) Options Vesting Schedule Exercise price of \$15.02: Options Exercisable 02/06/2007 266; Options Exercisable 02/06/2008 133.
- (8) Options Vesting Schedule Exercise price of \$20.26: Options Exercisable 02/04/2007 266; Options Exercisable 02/04/2008 133; Options Exercisable 02/04/2009 133.
- (9) Options Vesting Schedule Exercise price of \$27.06: Options Exercisable 02/03/2007 427; Options Exercisable 02/03/2008 427; Options Exercisable 02/03/2009 427; and Options Exercisable 02/03/2010 427.
- (10) Options Vesting Schedule Exercise price of \$30.56: Options Exercisable 02/02/2008 427; Options Exercisable 02/02/2009 427; Options Exercisable 02/02/2010 427; and Options Exercisable 02/02/2011 427.
- (11) Options Vesting Schedule for Options Granted 02/12/2008 Exercise price is \$28.85: Options Exercisable 02/12/2009 5,575; Options Exercisable 02/12/2010 5,575; Options Exercisable 02/12/2011 5,575; Options Exercisable 02/12/2012 5,575.
- (12) Restricted Shares will vest effective 02/03/2009. Restricted Shares will be settled for cash based on the fair market value on the vesting date.
- (13) Restricted Shares will vest effective 02/02/2010. Restricted Shares will be settled for cash based on the fair market value on the vesting date.

#### **Remarks:**

Option prices and award amounts identified by footnote 5 are updated to reflect spin-off from Temple-Inland Inc. effective 12

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.