

FOREST CITY ENTERPRISES INC
 Form 4
 June 19, 2006

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 *
ESPOSITO MICHAEL P JR

2. Issuer Name and Ticker or Trading Symbol
FOREST CITY ENTERPRISES INC [FCEA/FCEB]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 1221 AVENUE OF THE AMERICAS
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 06/15/2006

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

NEW YORK, NY 10020-1001

(City) (State) (Zip)

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

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)
				(A) or (D)	Price		
Class A Common	06/15/2006		A	V	4.037	A	\$ 45.09 3,037.977 D ⁽¹⁾
Class A Common	06/15/2006		A		1.421	A	\$ 46.3 1,097.914 D ⁽²⁾
Class A Common Stock							83,400 D ⁽³⁾
Class A Common Stock							24,900 D ⁽⁴⁾

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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)
2003 Stock Option Grant (right to buy)	\$ 15.5					03/17/2005 ⁽⁵⁾ 03/17/2013	Class A Common
2005 Stock Option Grant (right to buy)	\$ 31.75					04/06/2007 ⁽⁶⁾ 04/06/2015	Class A Common
2006 Stock Option Grant (right to buy)	\$ 46.37					04/04/2008 ⁽⁷⁾ 04/04/2016	Class A Common
Phantom Stock	\$ 0	06/15/2006		A	7.848	08/08/1988 ⁽⁸⁾ 08/08/1988 ⁽⁹⁾	Class A Common
Phantom Stock	\$ 0	06/15/2006		A	109.051	08/08/1988 ⁽⁸⁾ 08/08/1988 ⁽⁹⁾	Class A Common

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ESPOSITO MICHAEL P JR			X	

1221 AVENUE OF THE AMERICAS
NEW YORK, NY 10020-1001

Signatures

Geralyn M. Presti, Attorney-In-Fact for Michael P.
Esposito, Jr.

06/19/2006

__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) Held in a Dividend Reinvestment Account (DRIP).
- (2) Shares which were aquired under the Forest City Enterprises, Inc. Employee Stock Purchase Plan.
- (3) Held Direct - in Mr. Esposito's name in an account at Smith Barney, Paramus, NJ.
- (4) Held in an account at Smith Barney - Sarasota, FL.
- (5) 2003 Stock Option Grant - 25% exercisable on 3/17/2005; 25% exercisable 3/17/2006; and 50% exercisable 3/17/2007.
- (6) 2005 Stock Option Grant - 25% exercisable on 4/06/2007; 25% exercisable on 4/06/2008; and 50% exercisable on 4/06/2009.
- (7) 2006 Stock Option Grant - 25% exercisable on 4/04/2008; 25% exercisable on 4/04/2009; and 50% exercisable on 4/04/2010.
- (8) Exercisable at retirement, termination, death or disability.
- (9) No present expiration date
- (10) Phantom Stock - 1-for-1 - Deferred compensation plan contributions. Contributing \$5,000 after each board of director's meeting; updated to reflect current holdings.

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.