

FOREST CITY ENTERPRISES INC
Form 4
January 05, 2010

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)

3. Date of Earliest Transaction
(Month/Day/Year)
12/31/2009

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

1221 AVENUE OF THE AMERICAS

(Street)

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

NEW YORK, NY 10020-1001

(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 Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Class A Common					3,131.725	D	(1)
Class A Common Stock					83,400	D	(2)
Class A Common Stock					24,900	D	(3)
Class A Common					1,100	I	See footnote

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Stock								<u>(4)</u>
Class A Common Stock	12/31/2009		M	8,377.019	A	\$ 0 <u>(13)</u>	8,377.019	D <u>(3)</u>
Class A Common Stock	12/31/2009		D	8,377.019	D	\$ 11.78	0	D <u>(3)</u>

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

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SEC 1474
(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 Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
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
2007 Stock Option Grant	\$ 65.35					03/29/2009 ⁽⁸⁾	03/29/2017	Class A Common

(right to buy)									
2008 Stock Option Grant (right to buy)	\$ 37.68					04/07/2009 ⁽⁸⁾	04/07/2018		Class A Common
2009 Stock Option Grant (right to buy)	\$ 7.8					04/21/2010 ⁽¹⁰⁾	04/21/2019		Class A Common
Phantom Stock	\$ 0 ⁽¹³⁾	12/31/2009	M	8,377.019		08/08/1988 ⁽¹¹⁾	08/08/1988 ⁽¹²⁾		Class A Common

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ESPOSITO MICHAEL P JR 1221 AVENUE OF THE AMERICAS NEW YORK, NY 10020-1001		X		

Signatures

Geralyn M. Presti, Attorney-In-Fact for Michael P. Esposito, Jr. 01/05/2010

__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) Held Direct - in Mr. Esposito's name in an account at Smith Barney, Paramus, NJ.
- (3) Held in an account at Smith Barney - Sarasota, FL.
- (4) Shares are held by Sag Pond Partners - Mr. Esposito retains sole investment control.
- (5) 2003 Stock Option Grant - 25% exercisable 3/17/2005; 25% exercisable 3/17/2006; and 50% exercisable 3/17/2007.
- (6) 2005 Stock Option Grant - 25% exercisable 4/06/2007; 25% exercisable 4/06/2008; and 50% exercisable 4/06/2009.
- (7) 2006 Stock Option Grant - 25% exercisable 4/04/2008; 25% exercisable 4/04/2009; and 50% exercisable 4/04/2010.
- (8) 2007 Stock Option Grant - 25% exercisable 3/29/2009; 25% exercisable 3/29/2010; and 50% exercisable 3/29/2011.
- (9) 2008 Stock Option Grant - 33.33% exercisable 4/07/2009; 33.33% exercisable 4/07/2010; and 33.33% exercisable 4/07/2011.
- (10) 2009 Stock Option Grant - 33.33% exercisable 4/21/2010; 33.33% exercisable 4/21/2011; and 33.33% exercisable 4/21/2012.

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- (11) Exercisable at retirement, termination, death or disability.
- (12) No present expiration date
- (13) Phantom Stock - 1-for-1 - Deferred Compensation Plan contributions. Dec. 31, 2009 - Phantom Stock was converted to the Plan's cash investment.

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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