FOREST CITY ENTERPRISES INC

Form 4

January 05, 2010

FORM 4

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

OMB Number:

Expires:

3235-0287 January 31,

2005

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if no longer subject to Section 16.

Check this box

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Estimated average burden hours per

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burden hours presponse...

Form 4 or 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 * ESPOSITO MICHAEL P JR			2. Issuer Name and Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer		
			FOREST CITY ENTERPRISES INC [FCEA/FCEB]	(Check all applicable)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year)	_X_ Director 10% Owner Officer (give title Other (specify		
1221 AVENU AMERICAS	JE OF THE		12/31/2009	below) below)		
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
			Filed(Month/Day/Year)	Applicable Line)		
NEW YORK, NY 10020-1001				_X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		

(City)	(State)	(Zip)	Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

	Tube 1 Non Derivative Securities Acquired, Disposed oi, of Deficiently Owned							y Owned	
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transacti Code (Instr. 8)		d of (D) and 5) (A) or	ed (A)	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)
Class A Common			Code v	Amount	(D)	THEC	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

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

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

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SEC 1474

(9-02)

 $\label{thm:convergence} \begin{tabular}{ll} Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned \\ (e.g., puts, calls, warrants, options, convertible securities) \end{tabular}$

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)	orDeriva Securi Acqui Dispo		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and A Underlying S (Instr. 3 and
				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						
reporting Owner Name / Names	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% exersicable 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.

Reporting Owners 3

- (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. 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.