

COMPLAINT PROCEDURES FOR EMPLOYEE MATTERS

If you are uncomfortable using the internal resources available to handle your concerns or complaints regarding employee matters, you may use any of the following methods to report your complaints:

- * Forestar Hotline regarding Employee matters: 1-800-266-2290.
- * Mail: Forestar Group Inc. 2221 E. Lamar Blvd., Suite 790 Arlington, Texas 76006 Attn: Human Resources Dept.

Contacting Presiding Director Directly

Any person who has a legitimate concern about the Company's conduct may contact the presiding nonmanagement director by writing to: Presiding Director, c/o Corporate Counsel, Forestar Group Inc., 2221 E. Lamar Blvd., Suite 790, Arlington, Texas 76006. The status of all outstanding concerns addressed to the Presiding Director will be reported to the directors as appropriate, on a quarterly basis.

All concerns, questions and complaints will be taken seriously and handled promptly, confidentially and professionally. Forestar will not tolerate retaliation against any employee for raising any concern, question or complaint made in good faith.