

CRESCENT REAL ESTATE EQUITIES CO

Form 4

May 18, 2005

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 *
MODY JANE E

2. Issuer Name **and** Ticker or Trading
Symbol
CRESCENT REAL ESTATE
EQUITIES CO [CEI]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
777 MAIN STREET, SUITE 2100
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
05/16/2005

____ Director ____ 10% Owner
__X__ Officer (give title below) ____ Other (specify below)
Exec VP, Capital Markets

FORT WORTH TX 76102

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
__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

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)
				(A) or (D)			
				Code V Amount (D) Price			
Common Shares					9,532	I	By Mody Family Living Trust

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

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(9-02)

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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. 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 Securities (Instr. 3 and 4)				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number of Shares
Option (Right to Buy)	\$ 35.02							(1)	02/18/2012	Units	150,
Units of limited partnership of Operating Partnership (2)	(3)							(4)	06/30/2010(5)	Common Shares	165,
Units of limited partnership of Operating Partnership (2)	(6)	05/16/2005		A(7)		50,000		(7)	06/30/2010(5)	Common Shares	100,

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
MODY JANE E 777 MAIN STREET SUITE 2100 FORT WORTH TX 76102	Exec VP, Capital Markets

Signatures

David M. Dean, as Attorney-in-Fact on behalf of Reporting Person 05/18/2005

__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) Option granted February 19, 2002, by Operating Partnership, in transaction exempt under Rule 16b-3, to purchase Units of limited partnership ("Units") of Operating Partnership. Each Unit exchangeable for two Common Shares of Issuer stock, subject to normal antidilution adjustments, or cash equivalent to market value of two Common Shares of Issuer stock, at discretion of Issuer. Vests and becomes exercisable in 20% increments on first, second, third, fourth and fifth anniversary dates of grant.

(2) Crescent Real Estate Equities Limited Partnership ("Operating Partnership")

(3) Beginning on second anniversary of date of grant, each vested Unit exchangeable for cash equivalent to market value of two Common Shares of Issuer stock or, at discretion of Issuer, but subject to shareholder approval, for two Common Shares of Issuer stock, subject to normal antidilution adjustments.

(4) Grant by Operating Partnership pursuant to 2004 Crescent Real Estate Equities Limited Partnership Long-Term Incentive Plan in transaction exempt under Rule 16b-3(d). 20% of Units vest when trailing 40 trading day closing sale price average ("Average Close") equals or exceeds \$19; additional 20%, when Average Close equals or exceeds \$20; additional 20%, when Average Close equals or exceeds \$21; additional 20%, when Average Close equals or exceeds \$22.50; and final 20%, when Average Close equals or exceeds \$24. General Partner of Operating Partnership has discretionary authority to establish alternative vesting schedules based on Issuer's achievement of annual performance targets as determined from time to time by the Compensation Committee of General Partner.

(5) Applicable solely to unvested Units; not applicable to vested Units

(6) Beginning on second anniversary of date of grant, and subject to six-month holding period following vesting, each vested Unit exchangeable for cash equivalent to market value of two Common Shares of Issuer stock or, at discretion of Issuer, but subject to shareholder approval, for two Common Shares of Issuer stock, subject to normal antidilution adjustments.

(7) Grant on May 16, 2005, by Operating Partnership pursuant to 2005 Crescent Real Estate Equities Limited Partnership Long-Term Incentive Plan in transaction exempt under Rule 16b-3(d). 20% of Units vest when the average of the closing sale prices of a Common Share for the preceding 40 trading days ("Average Close") equals or exceeds \$21; an additional 20%, when Average Close equals or exceeds \$22.50; an additional 20%, when Average Close equals or exceeds \$24; an additional 20%, when Average Close equals or exceeds \$25.50; and the final 20%, when Average Close equals or exceeds \$27. General Partner of Operating Partnership has discretionary authority to establish alternative vesting schedules based on Issuer's achievement of annual performance targets as determined from time to time by the Compensation Committee of General Partner.

(8) Not Applicable

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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