

DONNELL JON M  
Form 4  
June 27, 2011

**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 \*  
DONNELL JON M

2. Issuer Name and Ticker or Trading Symbol  
AVATAR HOLDINGS INC  
[AVTR]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
201 ALHAMBRA CIRCLE, 12TH FLOOR

3. Date of Earliest Transaction (Month/Day/Year)  
06/23/2011

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

(Street)  
CORAL GABLES, FL 33134

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

(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 Ownership (Instr. 4) |   |
|---|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|---|
|   |                                      |  | Code                           | V   | Amount  | (D)  | Price                             |   |
| Restricted Common Stock, \$1.00 par value | 06/23/2011                           |  | J <sup>(1)</sup>               |   | 6,822   | A  | \$ 0 <sup>(2)</sup> 293,178       | D |
| Restricted Common Stock, \$1.00 par value | 06/23/2011                           |  | J <sup>(3)</sup>               |   | 293,178   | D  | \$ 0 <sup>(2)</sup> 0             | D |
|   | 06/23/2011                           |  | F                              |   | 2,486 <sup>(4)</sup>  | D  | 15,691                            | D |

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Common Stock, \$1.00 par value \$ 15.88

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

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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) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Following Transaction (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |             |       |
|--|---------------|-----------|-------------|-------|
|  | Director      | 10% Owner | Officer     | Other |
| DONNELL JON M<br>201 ALHAMBRA CIRCLE<br>12TH FLOOR<br>CORAL GABLES, FL 33134 | X             |           | See Remarks |       |

## Signatures

Juanita I. Kerrigan, as Attorney-in-Fact for JON M. DONNELL 06/27/2011

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) Of the 310,000 Restricted Shares of Common Stock (the "Shares") awarded to the Reporting Person pursuant to the terms of that certain Employment Agreement dated as of October 19, 2010 between the Issuer and the Reporting Person (the "Agreement"), 70,000 Shares

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were time based awards; 10,000 of which vested December 31, 2010 ( of which 3,645 were withheld by Issuer in payment of Reporting Person's tax liability), and 6,822 of which vested June 23, 2011 (of which 2,486 were withheld by Issuer in payment of Reporting Person's tax liability).

- (2) The zero (0) in this column is a "dummy" amount, solely for the purpose of permitting the use of a descriptive footnote stating that the price is not applicable.

- (3) Of the 310,000 Restricted Shares of Common Stock (the "Shares") awarded to the Reporting Person pursuant to the terms of that certain Employment Agreement dated as of October 19, 2010 between the Issuer and the Reporting Person (the "Agreement"), 70,000 Shares were time based awards; 10,000 of which vested December 31, 2010 and 6,822 of which vested June 23, 2011. The remaining 293,178 Restricted Shares which had not vested as of June 23, 2011 were forfeit upon termination of the Employment Agreement and were thereafter cancelled.

- (4) Represents 2,486 shares of the Issuer's Common Stock withheld by Issuer in payment of Reporting Person's tax liability upon the removal of time-based restrictions on 6,822 shares of Issuer's Common Stock at a price of \$15.88 per share. The Reporting Person owns 15,691 unrestricted shares of Issuer's Common Stock as of June 23, 2011.

### Remarks:

Former Director, President and Chief Executive Officer of Issuer.

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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