

LEVY MICHAEL F
Form 4
December 24, 2008

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL
OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
LEVY MICHAEL F

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)
AVATAR HOLDINGS INC., 201
ALHAMBRA CIRCLE, 12TH
FLOOR
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/22/2008

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP & COO, Avatar Properties

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 Indirect Ownership (Instr. 4) | | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|--------|-------------|--|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock, \$1.00 par value | 12/22/2008 | | M ⁽¹⁾ | | 75,000 | A | <u>(2)</u> 121,751 | D | | |
| Common Stock, par value \$1.00 | 12/22/2008 | | F | | 27,292 | D | \$ <u>(3)</u> 27.49 | 94,459 | D | |
| Common Stock, | | | | | | | 1,500 | I | By Children | |

\$1.00 par value

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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 Amount of Underlying Security (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Performance Conditioned Restricted Stock Units | (2) | 12/22/2008 | | C | 75,000 | 12/22/2008 12/22/2008 | Common Stock | 75,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| LEVY MICHAEL F AVATAR HOLDINGS INC. 201 ALHAMBRA CIRCLE, 12TH FLOOR CORAL GABLES, FL 33134 | | | EVP & COO, Avatar Properties | |

Signatures

Michael F. Levy 12/24/2008

**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) Exchange of performance conditioned Restricted Stock Units for performance conditioned restricted shares of Issuer's Common Stock.
- (2) The units convert to Common Stock of the Issuer on a 1-for-1 basis.

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- (3) Represents 27,292 shares of the Issuer's Common Stock withheld by Issuer in payment of Reporting Person's tax liability upon the exchange of 75,000 performance conditioned Restricted Stock Units at a price of \$27.49 per share.

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.