CRESCENT REAL ESTATE EQUITIES CO
Form 4
August 21, 2007

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
GOFF JOHN C

(Last) (First) (Middle)

777 MAIN STREET, SUITE 2100

(Street)

FORT WORTH, TX 76102

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
08/03/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Vice Chairman of Board, CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

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)
			Code	V	Amount	(A) or (D)	Price			
Common Shares	08/03/2007		D		1,769,102 (1)	D	$ 22.8	0	D	
Common Shares	08/03/2007		D		197,368	D	$ 22.8	0	I	GFF (2)
Common Shares	08/03/2007		D		19,801	D	$ 22.8	0	I	By 401(k) (3)

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

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number.

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 Am Underlying Sec (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	A N S
Units of limited partnership of Operating Partnership (4)	(5)	08/03/2007		D			830,205 (18)	(6)	(7)	Common Shares	
Units of limited partnership of Operating Partnership (4)	(5)	08/03/2007		D			76,280 (18)	(6)	(7)	Common Shares	
Employee Stock Option (Right to Buy)	$ 15.8125	08/03/2007		D			400,000	(9)	11/04/2009	Common Shares	
Option (Right to Buy) (7)	(8)	08/03/2007		D			100,000 (18)	(10)	11/04/2009(10)	Common Shares	
Option (Right to Buy)	$ 35.02	08/03/2007		D			1,278,571 (18)	(11)	02/18/2012	Common Shares	2
Option (Right to Buy	$ 35.02	08/03/2007		D			221,429 (18)	(12)	02/18/2012	Common Shares	
Units of limited partnership of Operating Partnership	(13)	08/03/2007		D			390,000 (18)	(14)	06/30/2010(16)	Common Shares	

(4)

Units of limited partnership of Operating Partnership (4)	(15)	08/03/2007		D	180,000 (18)	(17)	06/30/2010(16)	Common Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GOFF JOHN C 777 MAIN STREET SUITE 2100 FORT WORTH, TX 76102	X		Vice Chairman of Board, CEO	

Signatures

John C. Goff, by David M. Dean, Attorney-in-Fact	08/21/2007
**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) Includes 2415 shares acquired under Issuer's Employee Stock Purchase Plan.

(2) On July 25, 2007, shares where contributed to The Goff Family Foundation (GFF). Reporting Person exercises investment control over stock held by GFF, and may have a pecuniary interest in stock held by GFF; however, inclusion of GFF stockholdings in this report shall not be deemed an admission that Reporting Person is the beneficial owner of such securities for purposed of Section 16.

(3) Information based on most recent available plan statement of Crescent Real Estate Equities, Ltd. 401(k) Plan.

(4) Crescent Real Estate Equities Limited Partnership (Operating Partnership)

(5) Each Unit is exchangeable for two Common Shares, subject to normal antidilution adjustments, or cash equivalent to market value of two Common Shares, at discretion of Issuer.

(6) Immediately

(7) Not applicable

(8) Goff Family, L.P. (GFLP) is a family limited partnership of which Reporting Person is a general partner. Reporting Person disclaims beneficial ownership of all Units held by GFLP in excess of his pecuniary interest in GFLP.

(9) Option granted November 5,1999, pursuant to Issuer's Second Amended and Restated 1995 Stock Incentive Plan; vested and became exercisable in 20% increments on first, second, third, fourth and fifth anniversary dates of grant.

(10) Option granted November 5,1999, by Operating Partnership, in transaction exempt under Rule 16b-3, to purchase Units of limited partnership (Units) of Operating Partnership. Option vested and became exercisable in 50% increments on third and fifth anniversaries of date of grant. 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.

(11) 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. 78,571 options vested and became exercisable on first anniversary of date of grant;

1,200,000 options vested and became exerciseable in 20% increments on second, third, fourth and fifth anniversaries of date of grant. Each Unit exchangeable for two Common Shares of Issuer stoc, subject to normal antidilution adjustments, or cash equivalent to market value of two Common Shares of Issuer stock, at discretion of Issuer.

(12) Option granted February 19, 2002, by Operating Partnership, pursuant to Operating Partnership's1996 Unit Incentive Plan, to purchase Units of limited partnership (Units) of Operating Partnership. Option vested 100% on first anniversary of date of grant. 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.

(13) 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.

(14) Grant on December 1,2004, by Operating Partnership pursuant to 2004 Crescent Real Estate Equities Limited Partnership Long-Term Incentive Plan in transaction exempt under Rule 16b-3(d). Grant provides for 20% Units to vest when trailing 40 trading day closing sale price average (Average Close) equals or exceeds $19 (vested on 8/3/05); additional 20% vest when Average Close equals or exceeds $20 (vested on 11/25/05); additional 20% vest when Average Close equals or exceeds $21 (vested on 3/10/06); additional 20% vest when Average Close equals or exceeds $22.50; and final 20% vest when Average Close equals or exceeds $24.

(15) 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.

(16) Applicable soley to unvested Units; not applicable to vested Units.

(17) 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). Grant provides for 20% Units to vest when trailing 40 trading day closing sale price average (Average Close) equals or exceeds $21; additional 20% vest when Average Close equals or exceeds $22.50; additional 20% vest when Average Close equals or exceeds $24; additional 20% vest when Average Close equals or exceeds $25.50; and final 20% vest when Average Close equals or exceeds $27. In connection with the Agreement and Plan of Merger, pursuant to which Crescent Real Estate Equities Company and Crescent Real Estate Equities Limited Partnership were acquired by affiliates of Morgan Stanley Real Estate on August 3,2007, Reporting Person forfeited 120,000 Units leaving 180,000 Units remaining.

(18) In connection with the Agreement and Plan of Merger, pursuant to which Crescent Real Estate Equities Company and Crescent Real Estate Equities Limited Partnership were acquired by affiliates of Morgan Stanley Real Estate on August 3, 2007, holders of partnership Units (including unvested Units) received merger consideration of $45.60 per Unit and $22.80 per Common Share.

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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