

FORM 4

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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(f) of the Investment Company Act of 1940

Check box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

1. Name and Address of Reporting Person\*

Hammer Patrick F.  
-----  
(Last) (First) (Middle)

12900 Preston Road, Suite 700

-----  
(Street)

Dallas Texas 75230

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(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Capital Southwest Corporation (CSWC)

3. IRS Identification Number of Reporting Person, if an Entity (Voluntary)

4. Statement for Month/Year

October 2002

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person to Issuer  
(Check all applicable)

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

Vice President

7. Individual or Joint/Group Filing (Check applicable line)

Form filed by one Reporting Person  
 Form filed by more than one Reporting Person

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Table I -- Non-Derivative Securities Acquired, Disposed of,  
or Beneficially Owned  
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1. Title of Security (Instr. 3)	2. Transaction Date (mm/dd/yy)	3. Transaction Code (Instr. 8) ----- Code V	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		5. Amount of Securities Beneficially Owned at End of Month (Instr. 3 and 4)	6. Owner- ship Form: Direct (D) or Indirect (I) (Instr.4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Amount	(A) or (D) Price			
Common Stock					1,264	I	Held in IRA
Common Stock					23,800	D	
Common Stock	Various	A	292	A	\$61.50 - \$72.70 9,002	I	Held in ESOP



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. Conver- sion or Exer- cise Price of Deriv- ative Secur- ity	3. Trans- action Date (Month/ Day/ Year)	4. Trans- action 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 Deriv- ative Secur- ity (Instr. 5)	9. Number of Deriv- ative Secur- ities Bene- ficially Owned at End Month (Instr. 4)	10. Owner- ship Form of Deriv- ative Secur- ity: Direct (D) or In- direct (I) (Instr. 4)	11. Nature of In- direct Bene- ficial Owner- ship (Instr. 4)
1) Incentive Stock Option	35.625				7/19/94	7/19/03	Common Stock	14,000	14,000	D	
2) Incentive Stock Option	77.00				7/19/00	7/19/09	Common Stock	10,000	10,000	D	
3) Non-Qualified Stock Option	65.00				7/16/02	7/16/11	Common Stock	10,000	10,000	D	

Explanation of Responses: 1) Exercisable in six annual cumulative installments of 2,020 on each of the first and second anniversaries 2,800 shares on each of the third, fourth and fifth anniversaries, and 1,560 on the sixth anniversary of the date the option was first issued.  
2) Exercisable in eight annual cumulative installments of 1,250 shares.  
3) Exercisable in five annual cumulative installments of 2,000 shares.

/s/ Patrick F. Hammer

10/11/02

\*\*Signature of Reporting Person

Date

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations.

See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed.  
If space provided is insufficient, see Instruction 6 for procedure.