

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* <u>Watts William E</u>  (Last) (First) (Middle) <u>C/O TILE SHOP HOLDINGS, INC.</u> <u>14000 CARLSON PARKWAY</u>  (Street) <u>PLYMOUTH MN 55441</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>TILE SHOP HOLDINGS, INC. [ TTS ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  <input checked="" type="checkbox"/> Director 10% Owner  Officer (give title below) Other (specify below)	
	3. Date of Earliest Transaction (Month/Day/Year) <u>11/11/2014</u>		
	4. If Amendment, Date of Original Filed (Month/Day/Year)		
6. Individual or Joint/Group Filing (Check Applicable Line)  <input checked="" type="checkbox"/> 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 Stock	11/11/2014		P		35,000	A	\$8.36 <sup>(1)</sup>	377,990 <sup>(2)</sup>	D	

**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)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)					

**Explanation of Responses:**

- The price reported in Column 4 is a weighted average price. These shares were purchased in multiple transactions at prices ranging from \$8.25 to \$8.40 inclusive. The reporting person undertakes to provide Tile Shop Holdings, Inc., any security holder of Tile Shop Holdings, Inc., or the staff of the Securities and Exchange Commission upon request, full information regarding the number of shares purchased at each separate price within the range set forth in this footnote.
- Includes 23,176 shares of restricted stock (previously reported) granted pursuant to the Company's 2012 Omnibus Award Plan, which are subject to a purchase option in favor of the Company until August 21, 2015.

**Remarks:**

/s/ John R. Houston as  
Attorney-in-Fact for William  
E. Watts pursuant to Power of  
Attorney previously filed. 11/13/2014

\*\* Signature of Reporting Person Date

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

\* 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).

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

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 Number.