KEISER GARY Form 4 May 17, 2005

FORM 4

OMB APPROVAL OMB

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

3235-0287 Number:

Check this box if no longer subject to Section 16.

Washington, D.C. 20549

January 31, Expires: 2005

Form 4 or Form 5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Estimated average burden hours per response... 0.5

obligations may continue. See Instruction

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

1(b).

(Last)

(Print or Type Responses)

1. Name and Address of Reporting Person *

(First)

(Street)

2. Issuer Name and Ticker or Trading

5. Relationship of Reporting Person(s) to Issuer

KEISER GARY

Symbol

(Check all applicable)

CAPSTEAD MORTGAGE CORP

3. Date of Earliest Transaction

[CMO]

05/13/2005

10% Owner

(Month/Day/Year)

X_ Director Officer (give title Other (specify below)

8401 N. CENTRAL

EXPRESSWAY, SUITE 800

4. If Amendment, Date Original

A

6. Individual or Joint/Group Filing(Check

Filed(Month/Day/Year)

Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting

D

DALLAS, TX 75225

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year) Execution Date, if

(Month/Day/Year)

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

(Middle)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Beneficial Ownership Indirect (I) (Instr. 4) (Instr. 4)

(A) or

Reported Transaction(s) (Instr. 3 and 4)

Code V Amount

(D) Price

5,500

Common Stock

05/13/2005

\$0 5,000 (1)

SEC 1474

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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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 orDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4,	ivative Expiration Date urities (Month/Day/Year) quired (A) Disposed of		7. Title and Amoun Underlying Securit (Instr. 3 and 4)	
				Code V	and 5) (A) (D)	Date Exercisable	Expiration Date	Title	Amo or Num of Sh
Nonqualified Director Stock Option (right to buy)	\$ 7.82	05/13/2005		A	10,000	05/13/2005	05/13/2015	Common Stock	10,0

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
KEISER GARY 8401 N. CENTRAL EXPRESSWAY SUITE 800 DALLAS, TX 75225	X					

Signatures

By: Andrew F. Jacobs For: Gary Keiser 05/17/2005

**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) Shares held are restricted stock, granted from the 2004 Flexible Long-Term Incentive Plan, which vest in four equal annual installments beginning May 13, 2006.
- (2) Award of fully vested stock options pursuant to the Capstead Mortgage Corporation 2004 Flexible Long-Term Incentive Plan.

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.

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