CAPSTEAD MORTGAGE CORP
Form 4
December 20, 2013

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 *
BROWN MIKE

(Last) (First) (Middle)

8401 N CENTRAL EXPRESSWAY, STE 800

(Street)

DALLAS, TX 75225

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
CAPSTEAD MORTGAGE CORP [CMO]

3. Date of Earliest Transaction (Month/Day/Year)
12/18/2013

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
SVP-Asset & Liab Mgmt & Treas

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			

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

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

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities

Security (Instr. 3)	or Exercise Price of Derivative Security		any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		(Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Performance Units	(1)	12/18/2013		A	36,467		(1)	(1)	Common Stock	(1)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BROWN MIKE 8401 N CENTRAL EXPRESSWAY STE 800 DALLAS, TX 75225			SVP-Asset & Liab Mgmt & Treas	

Signatures

/s/ MIKE BROWN	12/19/2013
**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) Performance Units ("Units") issued by the Issuer to the Reporting Person. Such Units are convertible into common stock of the Issuer after December 31, 2016 and before March 15, 2017, with the conversion factor determined formulaically, based on achievement of stated performance criteria. The Units target a one-for-one conversion ratio into the common stock of the Issuer; however, the actual conversion ratio will be dependent on the achievement of the performance objectives outlined in the Issuer's 2014 Long-Term Award Criteria. The Units could expire without converting any shares of common stock of the Issuer or could be convertible into as many as 200% of the number of Units granted to the Reporting Person. The Units will terminate on December 31, 2016 if the minimum performance criteria are not achieved.

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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