

FORM 5

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

| 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).
- Form 3 Holdings Reported.
- Form 4 Transactions Reported.

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

| | | |
|---|--|--|
| 1. Name and Address of Reporting Person* <u>NAHMAD ALBERT H</u> (Last) (First) (Middle) 2665 SOUTH BAYSHORE DRIVE SUITE 901 (Street) COCONUT GROVE FL 33133 (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>WATSCO INC [WSO; WSOB]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chairman and CEO</u> |
| | 3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year) 12/31/2005 | |
| | 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 <input type="checkbox"/> 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 at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|------------|-------|--|--|---|
| | | | | Amount | (A) or (D) | Price | | | |
| Class B Common Stock | | | | | | | 766,886 | I | See footnote ⁽¹⁾ |
| Common Stock | | | | | | | 780 | I | See footnote ⁽²⁾ |
| Class B Common Stock | | | | | | | 1,053,496 | D ⁽³⁾ | |
| Class B Common Stock | | | | | | | 941,528 | D | |
| Common Stock | | | | | | | 160,827 | 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) | 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 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) |
|--|--|--------------------------------------|--|--------------------------------|--|-----|--|-----------------|---|--|--|---|--|
| | | | | | (A) | (D) | Date Exercisable | Expiration Date | | | | | |
| Stock Option (right to buy) | \$15.17 | | | | | | (4) | 03/21/2007 | Class B Common Stock | | 300,000 | D | |
| Stock Option (right to buy) | \$16 | | | | | | (5) | 04/06/2008 | Class B Common Stock | | 375,000 | D | |
| Stock Option (right to buy) | \$13.875 | | | | | | (6) | 02/19/2009 | Class B Common Stock | | 200,000 | D | |
| Stock Option (right to buy) | \$8.94 | | | | | | (7) | 03/15/2010 | Class B Common Stock | | 200,000 | D | |
| Stock Option (right to buy) | \$11.3 | | | | | | (8) | 09/24/2011 | Class B Common Stock | | 100,000 | D | |

Explanation of Responses:

- Reflects shares owned by Alna Capital Associates, a limited partnership, of which Mr. Nahmad has 99.996% ownership and is the sole general partner
- Ownership in Watsco, Inc. Profit Sharing Retirement Plan and Trust
- Award of stock pursuant to Watsco, Inc. Restricted Stock Agreements
- The options vested 33 1/3% on March 21, 1997, March 21, 1998 and March 21, 1999, respectively
- The options vested 33 1/3% on April 6, 1998, April 6, 1999 and April 6, 2000, respectively

6. The options vested 33 1/3% on February 19, 1999, February 19, 2000 and February 19, 2001, respectively
7. The options vested 33 1/3% on March 15, 2000, March 15, 2001 and March 15, 2002, respectively
8. The options vested 33 1/3% on September 24, 2001, September 24, 2002 and September 24, 2003, respectively

/s/ Albert H. Nahmad

01/06/2006

** 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.