

**FORM 5**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

| OMB APPROVAL                                 |           |
|--|-----------|
| OMB Number:                                  | 3235-0362 |
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**ANNUAL 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).
- 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*<br><u>MANLEY PAUL F</u><br><br>(Last) (First) (Middle)<br><u>2665 SOUTH BAYSHORE DRIVE</u><br><u>SUITE 901</u><br><br>(Street)<br><u>COCONUT GROVE FL 33133</u><br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>WATSCO INC [ WSO; WSOB ]</u>    | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><input checked="" type="checkbox"/> Director 10% Owner<br><br>Officer (give title below) Other (specify below) |
|  | 3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)<br><u>12/31/2005</u> |   |
|  | 4. If Amendment, Date of Original Filed (Month/Day/Year)                          | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><br>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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|------------|-------|--|--|--|
|                                 |                                      |  |                                | Amount  | (A) or (D) | Price |  |  |  |
| Common Stock                    |                                      |  |                                |   |            |       | 1,248  | I  | By Trust                                     |
| Class B Common Stock            |                                      |  |                                |   |            |       | 1,255  | I  | By Trust                                     |

**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)                | \$11.7   |                                      |  |                                |  |     | 12/18/2001   | 12/18/2010      | Common Stock 3,375  |  | 3,375  | I   | By Trust   |
| Stock Option (right to buy)                | \$11.3   |                                      |  |                                |  |     | 06/15/2001   | 06/15/2011      | Common Stock 16,667   |  | 16,667   | I   | By Trust   |
| Stock Option (right to buy)                | \$11.3   |                                      |  |                                |  |     | 06/15/2002   | 06/15/2011      | Common Stock 16,667   |  | 16,667   | I   | By Trust   |
| Stock Option (right to buy)                | \$11.3   |                                      |  |                                |  |     | 06/15/2003   | 06/15/2011      | Common Stock 16,666   |  | 16,666   | I   | By Trust   |
| Stock Option (right to buy)                | \$16.02  |                                      |  |                                |  |     | 12/18/2003   | 12/18/2012      | Common Stock 3,375  |  | 3,375  | I   | By Trust   |
| Stock Option (right to buy)                | \$22.8   |                                      |  |                                |  |     | 12/18/2004   | 12/18/2013      | Common Stock 3,375  |  | 3,375  | I   | By Trust   |

Explanation of Responses:

Paul F. Manley 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.