

ANNALY MORTGAGE MANAGEMENT INC  
 Form 4  
 February 15, 2006

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

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**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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 FAGAN KATHRYN

2. Issuer Name and Ticker or Trading Symbol  
 ANNALY MORTGAGE MANAGEMENT INC [NLY]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)  
 Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 Chief Financial Officer

(Last) (First) (Middle)  
 C/O: ANNALY MORTGAGE MANAGEMENT, INC., 1211 AVENUE OF THE AMERICAS, SUITE 2902

3. Date of Earliest Transaction (Month/Day/Year)  
 02/13/2006

(Street)  
 NEW YORK, NY 10036

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**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 Ownership (Instr. 4)
			Code	V	Amount (D) Price (A) or (D)		
Common Stock					106,178	D	
Common Stock	02/14/2006		A		\$ 5,502 7.94	D	
Common Stock	02/14/2006		A		\$ 4,498 8.63	D	

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

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(9-02)

**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 Underlying Security (Instr. 3 and 4)	Amount or Number of Shares
						Date Exercisable	Expiration Date		
Option to purchase Common Stock <sup>(1)</sup>	\$ 7.94	02/14/2006		M	5,502	11/18/2000	11/18/2009	Common Stock	5,502
Option to purchase Common Stock <sup>(1)</sup>	\$ 17.97					08/04/2004	08/04/2013	Common Stock	50,000
Option to purchase Common Stock <sup>(1)</sup>	\$ 8.63	02/14/2006		M	4,498	11/18/2000	11/18/2009	Common Stock	9,996
Option to purchase Common Stock <sup>(1)</sup>	\$ 17.39					04/20/2005	04/20/2014	Common Stock	50,000
Option to purchase Common Stock <sup>(1)</sup>	\$ 17.07					07/07/2006	07/07/2015	Common Stock	50,000
Option to purchase Common Stock	\$ 11.72	02/13/2006		A	50,000	02/13/2007	02/13/2016	Common Stock	50,000

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

FAGAN KATHRYN  
C/O: ANNALY MORTGAGE MANAGEMENT, INC.  
1211 AVENUE OF THE AMERICAS, SUITE 2902  
NEW YORK, NY 10036

Chief Financial Officer

## Signatures

/s/ Kathryn

Fagan

02/15/2006

\*\*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) Options previously granted

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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