

KAY DAVID B
Form 4
December 19, 2005

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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).

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 *
KAY DAVID B

2. Issuer Name and Ticker or Trading Symbol
CAPITAL AUTOMOTIVE REIT [CARS]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
8270 GREENSBORO DR.
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/16/2005

____ Director
____ Officer (give title below) Other (specify below)
____ 10% Owner
____ Trustee

MCLEAN, VA 22102

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 or Price | | |
| Common Shares of Beneficial Interest | 12/16/2005 | | M | | 15,000 (1) \$ 38.75 | 0 | D |
| Common Shares of Beneficial Interest | 12/16/2005 | | M | | 693 (2) \$ 38.75 | 0 | D |
| Common Shares of Beneficial Interest | 12/16/2005 | | U(3) | | 15,693 (4) \$ 38.75 | 0 | D |

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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 Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Options for Common Shares of Beneficial Interest | \$ 33.9 ⁽¹⁾ | 12/16/2005 | | M | 15,000 | ⁽¹⁾ / ⁽¹⁾ | Common Shares of Beneficial Interest | 15,000 |
| Phantom Shares | ⁽²⁾ | 12/16/2005 | | M | 693 | ⁽²⁾ / ⁽²⁾ | Common Shares of Beneficial Interest | 693 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|---------|
| | Director | 10% Owner | Officer | Other |
| KAY DAVID B 8270 GREENSBORO DR. MCLEAN, VA 22102 | | | | Trustee |

Signatures

/s/ Catherine Potter POA for David B. Kay 12/19/2005
 **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).

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- (1) These options have vested and expired because of a change of control event as required by the Trustee Formula Option stipulated in the Capital Automotive Group Second Amended and Restated 1998 Equity Incentive Plan. These options had an exercise price of \$33.90.
These phantom shares that were earned under the Capital Automotive Deferred Compensation and Stock Plan for Trustees, as amended,
- (2) have vested because a change of control transaction has occurred. These Phantom Shares had a variety of purchase prices as shown below: 258--Purchase Price of \$39.80 4--Purchase Price \$35.24 422--Purchase Price of \$38.59 9--Purchase Price of \$38.44
- (3) These shares were disposed of pursuant to the consummation of the merger between Capital Automotive REIT and entities affiliated with DRA Advisors LLC.
- (4) This total amount of common shares includes the options and phantom shares referenced above, 15,000 and 693 respectively, that vested upon the change of control transaction.

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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