

BLACKROCK FINANCIAL MANAGEMENT INC  
 Form 4  
 December 11, 2008

**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 \*  
**BLACKROCK FINANCIAL MANAGEMENT INC**

2. Issuer Name and Ticker or Trading Symbol  
**ANTHRACITE CAPITAL INC [AHR]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 40 EAST 52ND STREET  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 12/09/2008

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 Manager-See Additional Remarks

NEW YORK, NY 10022

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			
Common Stock	12/09/2008		C <sup>(1)</sup>	905 D ①	3,050,490	D	
Common Stock	12/09/2008		J <sup>(2)</sup>	309 A ②	3,050,799	D	
Common Stock	12/09/2008		C <sup>(3)</sup>	10,163 D ③	3,040,636	D	
Common Stock	12/09/2008		J <sup>(2)</sup>	3,506 A ②	3,044,142	D	
Common Stock	12/09/2008		C <sup>(3)</sup>	4,750 D ③	3,039,392	D	

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Common Stock	12/09/2008	J <sup>(2)</sup>	1,554	A	(2)	3,040,946	D
Common Stock	12/09/2008	C <sup>(4)</sup>	11,002	D	(4)	3,029,944	D
Common Stock	12/09/2008	J <sup>(2)</sup>	3,626	A	(2)	3,033,570	D
Common Stock	12/09/2008	C <sup>(4)</sup>	498	D	(4)	3,033,072	D
Common Stock	12/09/2008	J <sup>(2)</sup>	158	A	(2)	3,033,230	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	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Unit <u>(1)</u>	<u>(5)</u>	12/09/2008		C <sup>(1)</sup>	905	12/09/2008 <sup>(6)</sup>	06/30/2009	Common Stock	905
Restricted Stock Unit <u>(3)</u>	<u>(5)</u>	12/09/2008		C <sup>(3)</sup>	10,163	12/09/2008 <sup>(7)</sup>	06/30/2010	Common Stock	10,163
Restricted Stock Unit <u>(3)</u>	<u>(5)</u>	12/09/2008		C <sup>(3)</sup>	4,750	03/15/2007	03/15/2009	Common Stock	4,750
Restricted Stock Unit <u>(4)</u>	<u>(5)</u>	12/09/2008		C <sup>(4)</sup>	11,002	12/09/2008 <sup>(8)</sup>	06/30/2011	Common Stock	11,002
Restricted Stock Unit <u>(4)</u>	<u>(5)</u>	12/09/2008		C <sup>(4)</sup>	498	03/31/2008	03/31/2010	Common Stock	498

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BLACKROCK FINANCIAL MANAGEMENT INC 40 EAST 52ND STREET NEW YORK, NY 10022	X			Manager-See Additional Remarks

## Signatures

/s/ Richard M. Shea, as Managing  
Director 12/11/2008

\*\*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) In 2006, BlackRock Financial Management, Inc. (the "Manager"), the manager of Anthracite Capital, Inc. (the "Company"), granted Restricted Stock Units in respect of shares of the Company's common stock to certain employees of the Manager under the BlackRock, Inc. Involuntary Deferred Compensation Plan. Each Restricted Stock Unit is payable by delivery of a share of Company common stock or the cash value thereof.

(2) Shares of the Company's common stock withheld by the Manager to satisfy the Restricted Stock Unit holders' tax withholding obligations arising from the conversion of Restricted Stock Units, calculated based on the closing price of the Company's common stock on December 8, 2008 (\$2.97).

(3) In 2007, the Manager granted Restricted Stock Units in respect of shares of the Company's common stock to certain employees of the Manager under the BlackRock, Inc. Involuntary Deferred Compensation Plan. Each Restricted Stock Unit is payable by delivery of a share of the Company's common stock or the cash value thereof.

(4) In 2008, the Manager granted Restricted Stock Units in respect of shares of the Company's common stock to certain employees of the Manager under the BlackRock, Inc. Involuntary Deferred Compensation Plan. Each Restricted Stock Unit is payable by delivery of a share of the Company's common stock or the cash value thereof.

(5) 1-for-1

(6) Vests one-third on each of the first, second and third anniversaries of June 30, 2007. Any unvested RSUs vested pursuant to the terms of the RSUs when the holder thereof ceased to be an employee of the Manager due to termination by the Manager other than for cause.

(7) Vests one-third on each of the first, second and third anniversaries of June 30, 2008. Any unvested RSUs vested pursuant to the terms of the RSUs when the holder thereof ceased to be an employee of the Manager due to termination by the Manager other than for cause.

(8) Vests one-third on each of the first, second and third anniversaries of June 30, 2009. Unvested RSUs vested pursuant to the terms of the RSUs when the holder thereof ceased to be an employee of the Manager due to termination by the Manager other than for cause.

### Remarks:

The Manager may be deemed a director of the Company by virtue of the service on the board of directors of the Company of S

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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