

SUGARMAN JAY  
Form 4  
November 23, 2011

**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 \*  
SUGARMAN JAY

(Last) (First) (Middle)

1114 AVENUE OF THE AMERICAS, 39TH FLOOR

(Street)

NEW YORK, NY 10036

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
ISTAR FINANCIAL INC [SFI]

3. Date of Earliest Transaction (Month/Day/Year)  
11/21/2011

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Chairman and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 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 Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock                    | 11/21/2011                           |  | S                              | (A)<br>or<br>(D)<br>25,000<br>(1)                                 | \$ 5.9575   | 2,349,415 (1)  | D   |
| Common Stock                    | 11/22/2011                           |  | S                              | (A)<br>or<br>(D)<br>25,000<br>(1)                                 | \$ 5.8261   | 2,349,415 (1)  | D   |
| Common Stock                    | 11/23/2011                           |  | S                              | (A)<br>or<br>(D)<br>25,000<br>(1)                                 | \$ 5.404  | 2,349,415 (1)  | D   |
| Common Stock                    |                                      |  |                                |   |   | 44,544 (2)   | I By spouse   |
| Restricted Stock Units          |                                      |  |                                |   |   | 6,117,629 (2)  | 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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**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. Price of Derivative Security (Instr. 5) | 9. Nu...                   |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                  |       |
|---|---------------|-----------|------------------|-------|
|   | Director      | 10% Owner | Officer          | Other |
| SUGARMAN JAY<br>1114 AVENUE OF THE AMERICAS, 39TH FLOOR<br>NEW YORK, NY 10036 | X             |           | Chairman and CEO |       |

## Signatures

s/ Jay Sugarman                      11/23/2011

\_\_\_\_Signature of                      Date  
Reporting Person

## 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).  
 On November 21, November 22 and November 23, 2011, a total of 75,000 shares of iStar common stock (25,000 shares on each day) were sold on behalf of the Reporting Person, Mr. Jay Sugarman, pursuant to a Rule 10b5-1 sales plan adopted by the Reporting Person on November 8, 2011. Following the transactions reported in this Form 4, the Reporting Person is the beneficial owner of a total of 2,393,959 shares of iStar common stock, including 2,349,415 shares owned directly and 44,544 shares owned indirectly by his spouse.
- (1) The Reporting Person is also the owner of 6,117,629 restricted stock units representing the right to receive an equivalent number of shares of iStar common stock (net of shares deducted for taxes and other withholdings) if and when the units vest.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.