DISTASO DAVID MICHAEL

Form 4

February 22, 2010

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

30(h) of the Investment Company Act of 1940

OMB APPROVAL OMB

3235-0287 Number:

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response...

if no longer subject to Section 16. Form 4 or Form 5

Check this box

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

See Instruction 1(b).

obligations

may continue.

(Print or Type Responses)

1. Name and Address of Reporting Person * DISTASO DAVID MICHAEL

2. Issuer Name and Ticker or Trading Symbol

ISTAR FINANCIAL INC [SFI]

5. Relationship of Reporting Person(s) to

Issuer

(Last)

(First)

(Middle)

3. Date of Earliest Transaction

(Month/Day/Year) 02/17/2010

Director 10% Owner X_ Officer (give title Other (specify

(Check all applicable)

below) CHIEF ACCOUNTING OFFICER

1114 AVENUE OF THE AMERICAS, 39TH FLOOR

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

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

6. Individual or Joint/Group Filing(Check

Person

NEW YORK, NY 10036

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of 2. Transaction Date 2A. Deemed 3. 4. Securities 5. Amount of 6. Ownership 7. Nature of Security (Month/Day/Year) Execution Date, if TransactionAcquired (A) or Securities Form: Direct Indirect (Instr. 3) Code Disposed of (D) Beneficially (Instr. 3, 4 and 5) (Month/Day/Year) (Instr. 8) Owned Following

(D) or Indirect (I) (Instr. 4) Reported

(A) Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

Restricted 02/17/2010 Stock Units

8,919 P A \$0 (1)

 $40,512 \stackrel{(2)}{=} \stackrel{(3)}{=}$ D

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

Beneficial

Ownership

(Instr. 4)

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	1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exerc	cisable and	7. Titl	e and	8. Price of	9. Nu
	Derivative	Conversion	(Month/Day/Year)	Execution Date, if	TransactionNumber		Expiration D	ate Amou		nt of	Derivative	Deriv
	Security	or Exercise		any	Code	of	(Month/Day/	Year)	Under	lying	Security	Secui
	(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivativ	e		Securi	ities	(Instr. 5)	Bene
		Derivative			Securities				(Instr.	3 and 4)		Owne
		Security				Acquired						Follo
		•				(A) or						Repo
						Disposed						Trans
						of (D)						(Instr
						(Instr. 3,						,
						4, and 5)						
										Amount		
							Date Exercisable	Expiration Date	Title N	or		
										Number		
										of		
					Code V	(A) (D)				Shares		

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

DISTASO DAVID MICHAEL 1114 AVENUE OF THE AMERICAS 39TH FLOOR NEW YORK, NY 10036

CHIEF ACCOUNTING OFFICER

Signatures

s/ David M. DiStaso 02/20/2010

**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 February 17, 2010, the Compensation Committee of iStar Financial Inc.'s Board of Directors approved an incentive award to the Reporting Person in the amount of 8,919 Restricted Stock Units (Units). The Units represent the right to receive an equivalent number of shares of iStar common stock (net of shares deducted for applicable taxes and other withholdings) if and when the Units vest. These Units will cliff vest on February 17, 2012 if vesting conditions, including the Reporting Person's continued employment, are satisified.
- Following this award, the Reporting Person owns a total of 40,512 Restricted Stock Units, representing the right to receive an equivalent number of shares of iStar common stock (net of shares deducted for applicable taxes and other withholdings) if and when the Units vest in accordance with the terms of the agreements for the Units.
- (3) In addition to these Restricted Stock Units, the Reporting Person is the beneficial owner of a total of 386 shares of iStar common stock, all of which are owned directly.

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.

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