

BURNS JAMES D  
Form 3  
March 26, 2009

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Â BURNS JAMES D		(Month/Day/Year)	ISTAR FINANCIAL INC [SFI]	
(Last)	(First)	(Middle)	03/26/2009	
C/O ISTAR FINANCIAL,Â 1114 AVE OF THE AMERICAS 39TH FLR			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
NEW YORK,Â NYÂ 10036			<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner	6. Individual or Joint/Group Filing(Check Applicable Line)
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Form filed by One Reporting Person
			(give title below) (specify below)	<input type="checkbox"/> Form filed by More than One Reporting Person
			Chief Financial Officer	

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock, \$.001 par value per share	6,180 <u>(1)</u> <u>(2)</u> <u>(3)</u>	D	Â
Common Stock, \$.001 par value per share	1,255 <u>(1)</u> <u>(2)</u> <u>(3)</u>	I	By IRA

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

SEC 1473 (7-02)

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security	4. Conversion or Exercise	5. Ownership Form of	6. Nature of Indirect Beneficial Ownership (Instr. 5)
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Date Exercisable	Expiration Date	(Instr. 4)	Amount or Number of Shares	Price of Derivative Security	Derivative Security: Direct (D) or Indirect (I)
		Title			

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BURNS JAMES D C/O ISTAR FINANCIAL 1114 AVE OF THE AMERICAS 39TH FLR NEW YORK, NY 10036	^	^	^ Chief Financial Officer	^

## Signatures

s/ JAMES D  
BURNS

03/26/2009

Signature of  
Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 5(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).

The Reporting Person also owns 55,459 Restricted Stock Units ("Units") that have not yet vested, representing the right to receive an equivalent number of shares of iStar common stock if and when the Units vest. Units that are not vested may not be sold, transferred or pledged except by will, the laws of descent or to or for the benefit of the Reporting Person's family. In addition, if the Reporting Person voluntarily terminates employment with iStar, or iStar terminates the Reporting Person's employment for cause (as defined in the award), any unvested Units will be forfeited automatically as of the date of termination of employment.

Of the total number of Units held by the Reporting Person, 53,146 Units vest over time if the Reporting Person is employed on the applicable vesting date: 833 Units are unvested from an award dated January 19, 2007 and will vest in January 2010; 2,313 Units are unvested from an award dated January 18, 2008 and will vest in January 2010 (1,157 Units) and in January 2011 (1,156 Units); and 50,000 Units are unvested from an award dated October 9, 2008 and will "cliff" vest in one installment on October 9, 2011. The Reporting Person is entitled to receive common stock dividend equivalent payments on these unvested Units from the award date.

The remaining 2,313 Units ("Performance Vest Units") held by the Reporting Person were awarded January 18, 2008 and will "cliff" vest in one installment on December 31, 2010 if (a) iStar common stock has achieved a total shareholder return of 20%, compounded annually, over the vesting period commencing on the award date and (b) the Reporting Person is employed on the vesting date. The Reporting Person is not entitled to receive common stock dividend equivalent payments on the unvested Performance Vest Units.

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.