

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
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1. Name and Address of Reporting Person* <u>JOSEPHS ROBIN</u> (Last) (First) (Middle) <u>1861 NORTH ORCHARD STREET</u> (Street) <u>CHICAGO IL 60614</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>ISTAR FINANCIAL INC [SFI]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>11/30/2004</u>	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> 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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock, par value \$.001 per share ⁽¹⁾	11/30/2004		P		3,396	A	\$28.5383	3,396	I	by trust
Common Stock, par value \$.001 per share ⁽¹⁾	11/30/2004		P		1,704	A	\$29.82	5,100	I	by trust
Common Stock, par value \$.001 per share	11/30/2004		P		0	A	\$0	14,190	D	
Common Stock, par value \$.001 per share	11/30/2004		P		0	A	\$0	305	I	by spouse

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Amount or Number of Shares
Option to purchase common stock	\$28.5383	11/30/2004		X		1,698		03/18/2001	03/18/2008	Common Stock, par value \$.001 per share	1,698	\$0	23,396	D	
Option to purchase common stock	\$28.5383	11/30/2004		X		1,698		06/19/2001	06/19/2008	Common Stock, par value \$.001 per share	1,698	\$0	21,698	D	
Option to purchase common stock	\$29.82	11/30/2004		X		1,704		05/29/2002	05/29/2012	Common stock, par value \$.001 per share	1,704	\$0	19,994	D	

Explanation of Responses:

1. This Form 4 is being filed to report the acquisition by the reporting person of 5,100 shares of Common Stock through the exercise of stock options on November 30, 2004. Following these transactions, the reporting person is the beneficial owner of a total of 19,595 shares of Common Stock, of which 14,190 shares are owned directly, 305 shares are owned indirectly by the reporting person's spouse and 5,100 shares are owned indirectly through a revocable trust.

s/ Robin Josephs

12/01/2004

** Signature of Reporting Person

Date

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

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.