

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **December 10, 2008**

iStar Financial Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation)

1-15371
(Commission File
Number)

95-6881527
(IRS Employer
Identification Number)

1114 Avenue of the Americas, 39th Floor
New York, New York
(Address of principal executive offices)

10036
(Zip Code)

Registrant's telephone number, including area code: **(212) 930-9400**

N/A

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On December 10, 2008, iStar Financial Inc. (the "Company") announced that Catherine D. Rice, its executive vice president and chief financial officer, will retire from the Company in March of 2009. The Company also announced that James D. Burns, its executive vice president and treasurer, will be promoted to chief financial officer upon Ms. Rice's retirement. Mr. Burns, age 49, joined the Company in 2003. He has served as executive vice president and treasurer of the Company since 2006 and has held the position of senior vice president and treasurer of the Company since 2003.

The public announcement was made by means of a press release, the text of which is attached as Exhibit 99.1 to this Form 8-K and which is incorporated by reference herein.

ITEM 9.01 Financial Statements and Exhibits.

- (d) Exhibits
Exhibit 99.1 Press release of iStar Financial Inc. dated December 10, 2008.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

iSTAR FINANCIAL INC.

Date: December 15, 2008

By: /s/ Jay Sugarman
Jay Sugarman
Chairman and Chief Executive Officer

Date: December 15, 2008

By: /s/ Catherine D. Rice
Catherine D. Rice
Chief Financial Officer

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EXHIBIT INDEX

**Exhibit
Number**

Description

99.1 Press release of iStar Financial Inc. dated December 10, 2008.

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iStar Financial Inc.
 1114 Avenue of the Americas
 New York, NY 10036
 (212) 930-9400

News Release

COMPANY CONTACTS

[NYSE: SFI]

Catherine D. Rice
 Chief Financial Officer

Andrew G. Backman
 Senior Vice President – Investor Relations

**iStar Financial Announces March 2009 Transition
 of Chief Financial Officer Position**

NEW YORK - December 10, 2008 - iStar Financial Inc. (NYSE: SFI), a leading publicly traded finance company focused on the commercial real estate industry, announced today that Catherine D. Rice, executive vice president and chief financial officer, will retire in March of 2009 and James D. Burns, iStar's executive vice president and treasurer, will be promoted to CFO upon Rice's retirement next year.

After serving as a senior member of the management team at iStar since 2002, Rice is retiring to focus on family business interests. Burns has served as executive vice president and treasurer of iStar Financial since 2006 and has held the position of senior vice president and treasurer of iStar Financial since 2003.

"Katy has been instrumental in our financial strategy and has provided guidance and significant leadership to the Company over the past six years," said Jay Sugarman, iStar's chairman and chief executive officer. "She has built a strong team of finance, accounting and investor relations professionals, leaving the Company in highly capable hands. We respect Katy's need to focus on family business interests and look forward to working with Jim as he assumes his new role next March."

Prior to joining iStar Financial, Burns was global treasurer of Cantor Fitzgerald. Mr. Burns also worked for Morgan Stanley in Hong Kong as treasurer of the Asia-Pacific region and in New York as treasurer of the Americas region. Previously, he held various positions in capital markets, capital planning and cash management at PepsiCo, Inc. Burns received his M.B.A. in Finance from Columbia University's Graduate School of Business and his A.B. in Economics from Harvard College.

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iStar Financial Inc. is a leading publicly traded finance company focused on the commercial real estate industry. The Company primarily provides custom-tailored investment capital to high-end private and corporate owners of real estate, including senior and mezzanine real estate debt, senior and mezzanine corporate capital, as well as corporate net lease financing and equity. The Company, which is taxed as a real estate investment trust ("REIT"), seeks to deliver strong dividends and superior risk-adjusted returns on equity to shareholders by providing innovative and value added financing solutions to its customers. Additional information on iStar Financial is available on the Company's website at <http://www.istarfinancial.com>.

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