

**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): **June 30, 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.

(b) Retirement of Executive Vice President and Chief Operating Officer

On June 30, 2008, Mr. Timothy J. O'Connor retired from the position of Executive Vice President and Chief Operating Officer of iStar Financial Inc. (the "Company"). Jay Nydick, the Company's President, has assumed Mr. O'Connor's responsibilities.

(c) Appointment of Chief Accounting Officer

As of June 30, 2008, David DiStaso has been appointed Chief Accounting Officer of the Company. Mr. DiStaso, age 43, comes to the Company from CIT Group, Inc., where he was chief financial officer and controller of the Consumer Finance Division since 2002. Mr. DiStaso has served in other various capacities at CIT Group, Inc. since 1996. Prior to that, Mr. DiStaso was a senior manager at KPMG LLP. Mr. DiStaso holds a B.S. in accounting from Rutgers University and is a Certified Public Accountant.

(d) Election of Director

As of July 1, 2008, Dale Anne Reiss has been elected to serve on the Board of Directors of the Company and will also serve as a member of the Board's Audit Committee. Ms. Reiss, age 60, was a senior partner at Ernst & Young LLP from 1995 through 2008. Ms. Reiss served as a managing partner at Kenneth Leventhal & Company from 1985 through its merger with Ernst & Young LLP in 1995. From 1980 to 1985, Ms. Reiss was a senior vice president and controller at Urban Investment and Development Company. Since 1998, Ms. Reiss has served as a trustee of Urban Land Institute ("ULI") and in various ULI officer and committee leadership positions. In 2002, the New York Women Executives in Real Estate named Ms. Reiss "Woman of the Year." Ms. Reiss received a B.S. degree in economics and accounting from the Illinois Institute of Technology and an M.B.A. degree from the University of Chicago. Ms. Reiss is a Certified Public Accountant.

A copy of the Company's press release is attached hereto as Exhibit 99.1.

ITEM 9.01 Financial Statements and Exhibits.

- (d) Exhibits
Exhibit 99.1 Press release of iStar Financial Inc. dated July 2, 2008.

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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 hereunto duly authorized.

iSTAR FINANCIAL INC.

Date: July 7, 2008

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

Date: July 7, 2008

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

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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 Retirement and New Appointments

NEW YORK – July 2, 2008 – iStar Financial Inc. (NYSE: SFI), a leading publicly traded finance company focused on the commercial real estate industry, announced today the retirement of Tim O’Connor, executive vice president and chief operating officer, as well as the appointments of a new chief accounting officer and a new independent member of its Board of Directors.

After serving as both a leader and mentor over the past 10 years at iStar, O’Connor retired effective June 30 to pursue a passion for teaching and will become a high school teacher and coach. Jay Nydick, iStar’s President, will assume O’Connor’s responsibilities.

“Tim has been an exceptional leader and will leave a lasting, positive imprint on our company,” said Jay Sugarman, iStar’s chairman and chief executive officer. “His decision to start a new career teaching high school students is a fitting reflection of his interest in putting his talents and energy to work for others.”

The Company also announced that as of June 30, David DiStaso has assumed the role of chief accounting officer. DiStaso comes to iStar from CIT Group Inc., where for the past six years he has been chief financial officer and controller of the Consumer Finance Division. DiStaso joined CIT in 1996 after serving as a senior manager at KPMG. DiStaso holds a B.S. in accounting from Rutgers University and is a Certified Public Accountant.

“We are pleased to have someone with David’s strong accounting, financial and managerial experience joining us in this key role,” said Catherine D. Rice, iStar’s chief financial officer.

The Company also said that on July 1, Ms. Dale Anne Reiss was elected to join the Board of Directors of iStar as an independent director, and will also serve as a member of the Board’s Audit Committee. Reiss was a senior partner at Ernst & Young LLP from 1995 through 2008, and a managing partner at its predecessor, Kenneth Leventhal & Company, from 1985 through its merger with Ernst & Young in 1995. Reiss is a Certified Public Accountant and received a B.S. degree in economics and accounting from the Illinois Institute of Technology and an M.B.A. degree from the University of Chicago.

“Dale brings to our Board additional knowledge and insight, along with her well-earned reputation for leadership in our industry,” said Sugarman. “Dale is a respected professional with over 25 years of financial, accounting and real estate experience and we welcome her as our newest independent director.”

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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 www.istarfinancial.com.

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