

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-K/A

(Amendment No.1)

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2014

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File No. 1-15371

iSTAR FINANCIAL INC.

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of
incorporation or organization)

95-6881527

(I.R.S. Employer
Identification Number)

**1114 Avenue of the Americas, 39th Floor
New York, NY**

(Address of principal executive offices)

10036

(Zip code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Name of Exchange on which registered:
Common Stock, \$0.001 par value	New York Stock Exchange
8.000% Series D Cumulative Redeemable Preferred Stock, \$0.001 par value	New York Stock Exchange
7.875% Series E Cumulative Redeemable Preferred Stock, \$0.001 par value	New York Stock Exchange
7.8% Series F Cumulative Redeemable Preferred Stock, \$0.001 par value	New York Stock Exchange
7.65% Series G Cumulative Redeemable Preferred Stock, \$0.001 par value	New York Stock Exchange
7.50% Series I Cumulative Redeemable Preferred Stock, \$0.001 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

Title of each class:	Name of Exchange on which registered:
4.50% Series J Convertible Perpetual Preferred Stock, \$0.001 par value	N/A

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant: (i) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports); and (ii) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act (check one):

Large accelerated filer <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>
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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

As of June 30, 2014 the aggregate market value of the common stock, \$0.001 par value per share of iStar Financial Inc. ("Common Stock"), held by non-affiliates (1) of the registrant was approximately \$1.2 billion, based upon the closing price of \$14.98 on the New York Stock Exchange composite tape on such date.

As of February 20, 2015, there were 85,374,846 shares of Common Stock outstanding.

- (1) For purposes of this Annual Report only, includes all outstanding Common Stock other than Common Stock held directly by the registrant's directors and executive officers.

DOCUMENTS INCORPORATED BY REFERENCE

1. Portions of the registrant's definitive proxy statement for the registrant's 2015 Annual Meeting, to be filed within 120 days after the close of the registrant's fiscal year, are incorporated by reference into Part III of this Annual Report on Form 10-K.



Explanatory Note

iStar Financial Inc. (the "Company") is filing this Amendment No. 1 on Form 10-K/A to its Annual Report on Form 10-K for the fiscal year ended December 31, 2014, which was filed on March 2, 2015 (the "Form 10-K"), to include the separate audited financial statements and related disclosures of Marina Palms, LLC and Subsidiaries, as required under Rule 3-09 of Regulation S-X.

Except as otherwise expressly noted herein, this Amendment No. 1 does not reflect events that have occurred after the filing of the Company's Form 10-K on March 2, 2015. Accordingly, this Amendment No. 1 should be read in conjunction with the Company's Form 10-K.

PART IV

Item 15. Exhibits, Financial Statement Schedules and Reports on Form 8-K

- (a) and (c) Financial statements and schedules—see the Company's Annual Report on Form 10-K filed on March 2, 2015. Refer to Exhibit 99.1 to this Amendment No. 1 for the separate audited financial statements and related disclosures of Marina Palms, LLC and Subsidiaries, which is required to be filed under Rule 3-09 of Regulation S-X.
- (b) Exhibits—see index below.

INDEX TO EXHIBITS

Exhibit Number	Document Description
3.1	Amended and Restated Charter of the Company (including the Articles Supplementary for each Series of the Company's Preferred Stock).(1)
3.2	Amended and Restated Bylaws of the Company.(2)
3.3	Articles Supplementary for High Performance Common Stock-Series 1.(4)
3.4	Articles Supplementary for High Performance Common Stock-Series 2.(4)
3.5	Articles Supplementary for High Performance Common Stock-Series 3.(4)
3.6	Articles Supplementary relating to Series E Preferred Stock.(5)
3.7	Articles Supplementary relating to Series F Preferred Stock.(29)
3.8	Articles Supplementary relating to Series G Preferred Stock.(7)
3.9	Articles Supplementary relating to Series I Preferred Stock.(9)
3.10	Articles Supplementary relating to Series J Preferred Stock.(17)
4.1	Form of 77/8% Series E Cumulative Redeemable Preferred Stock Certificate.(5)
4.2	Form of 7.8% Series F Cumulative Redeemable Preferred Stock Certificate.(6)
4.3	Form of 7.65% Series G Cumulative Redeemable Preferred Stock Certificate.(7)
4.4	Form of 7.50% Series I Cumulative Redeemable Preferred Stock Certificate.(9)
4.5	Form of 4.50% Series J Cumulative Convertible Perpetual Preferred Stock Certificate.(23)
4.6	Form of Stock Certificate for the Company's Common Stock.(32)
4.7	Form of Global Note evidencing 5.85% Senior Notes due 2017 issued on March 9, 2007.(21)
4.8	Form of Global Note evidencing 5.875% Senior Notes due 2016 issued on February 21, 2006.(16)
4.9	Form of Global Note evidencing 6.05% Senior Notes due 2015 issued on April 21, 2005.(14)
4.10	Form of Global Note evidencing 9.0% Senior Series B Notes due 2017 issued on July 9, 2012.(26)
4.11	Form of Global Note evidencing 7.125% Senior Notes due 2018 issued on November 13, 2012.(27)
4.12	Form of Global Note evidencing 3.00% Convertible Senior Notes due 2016 issued on November 13, 2012.(27)

Exhibit Number	Document Description
4.13	Form of Global Note evidencing 3.875% Senior Notes due 2016 issued on May 10, 2013.(28)
4.14	Form of Global Note evidencing 4.875% Senior Notes due 2018 issued on May 10, 2013.(28)
4.15	Form of Rule 144A Global Note evidencing 1.50% Convertible Senior Notes due 2016 issued on November 19, 2013.(11)
4.16	Form of Global Note, No. 1-A evidencing 4.00% Senior Notes due 2017 issued on June 13, 2014.(30)
4.17	Form of Global Note, No. 1-B evidencing 4.00% Senior Notes due 2017 issued on June 13, 2014.(30)
4.18	Form of Global Note, No. 2-A evidencing 5.00% Senior Notes due 2019 issued on June 13, 2014.(30)
4.19	Form of Global Note, No. 2-B evidencing 5.00% Senior Notes due 2019 issued on June 13, 2014.(30)
4.20	Eighth Supplemental Indenture, dated as of April 21, 2005, governing the 6.05% Senior Notes due 2015.(15)
4.21	Eleventh Supplemental Indenture, dated as of February 21, 2006, governing the 5.875% Senior Notes due 2016.(16)
4.22	Seventeenth Supplemental Indenture, dated as of March 9, 2007, governing the 5.85% Senior Notes due 2017.(20)
4.23	Base Indenture, dated as of February 5, 2001, between the Company and State Street Bank and Trust Company.(3)
4.24	Indenture, dated as of May 8, 2012, between the Company and U.S. Bank National Association governing the 9.0% Senior Series B Notes due 2017.(25)
4.25	Twenty-First Supplemental Indenture, dated as of November 13, 2012 governing the 7.125% Senior Notes due 2018.(27)
4.26	Twenty-Second Supplemental Indenture, dated as of November 13, 2012 governing the 3.00% Convertible Senior Notes due 2016.(27)
4.27	Twenty-Third Supplemental Indenture, dated as of May 10, 2013, governing the 3.875% Senior Notes due 2016.(28)
4.28	Twenty-Fourth Supplemental Indenture, dated as of May 10, 2013, governing the 4.875% Senior Notes due 2018.(28)
4.29	Twenty-Sixth Supplemental Indenture, dated June 13, 2014, governing the 4.00% Senior Notes due 2017.(30)
4.30	Twenty-Seventh Supplemental Indenture, dated June 13, 2014, governing the 5.00% Senior Notes due 2019.(30)
10.1	iStar Financial Inc. 2007 Incentive Compensation Plan.(31)
10.2	iStar Financial Inc. 2009 Long Term Incentive Compensation Plan.(18)
10.3	iStar Financial Inc. 2013 Performance Incentive Plan.(18)
10.4	Non-Employee Directors' Deferral Plan.(10)
10.5	Form of Restricted Stock Unit Award Agreement.(19)
10.6	Form of Restricted Stock Unit Award Agreement (Performance-Based Vesting).(22)
10.7	Form of Award Agreement For Investment Pool.
10.8	Credit Agreement, dated as of March 19, 2012, by the Company, the banks set forth therein and Barclays Bank PLC, as administrative agent, Bank Of America, N.A., as syndication agent, JPMorgan Chase Bank, N.A., as documentation agent.(24)

Exhibit Number	Document Description
10.9	Security Agreement, dated as of March 19, 2012, made by the Company, and the other parties thereto in favor of Barclays Bank PLC, as administrative agent.(24)
12.1	Computation of Ratio of Earnings to fixed charges and Earnings to fixed charges and preferred stock dividends.(32)
12.2	Computation of Ratio of Adjusted EBITDA to interest expense and preferred dividends.(32)
14.0	iStar Financial Inc. Code of Conduct.(12)
21.1	Subsidiaries of the Company.(32)
23.1	Consent of PricewaterhouseCoopers LLP.(32)
23.2	Consent of Gerson, Preston, Robinson & Co., P.A.
31.0	Certifications pursuant to Section 302 of the Sarbanes-Oxley Act.
32.0	Certifications pursuant to Section 906 of the Sarbanes-Oxley Act.
99.1	Consolidated Financial Statements of Marina Palms, LLC and Subsidiaries for the year ended December 31, 2014 and for the period from April 17, 2013 through December 31, 2013.
100	XBRL-related documents.(32)
101	Interactive data file.(32)

Explanatory Notes:

- (1) Incorporated by reference from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2000 filed on May 15, 2000.
- (2) Incorporated by reference from the Company's Current Report on Form 8-K filed on October 25, 2013.
- (3) Incorporated by reference from the Company's Form S-3 Registration Statement filed on February 12, 2001.
- (4) Incorporated by reference from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002 filed on November 14, 2002.
- (5) Incorporated by reference from the Company's Current Report on Form 8-A filed on July 8, 2003.
- (6) Incorporated by reference from the Company's Current Report on Form 8-A filed on September 25, 2003.
- (7) Incorporated by reference from the Company's Current Report on Form 8-A filed on December 10, 2003.
- (8) Incorporated by reference from the Company's Annual Report on Form 10-K for the year ended December 31, 2003 filed on March 15, 2004.
- (9) Incorporated by reference from the Company's Current Report on Form 8-A filed on February 27, 2004.
- (10) Incorporated by reference from the Company's Definitive Proxy Statement filed on April 28, 2004.
- (11) Incorporated by reference from the Company's Current Report on Form 8-K filed on November 19, 2013.
- (12) Incorporated by reference from the Company's Annual Report on Form 10-K for the year ended December 31, 2004 filed on March 16, 2005.
- (13) Incorporated by reference from Falcon Financial Investment Trust's Form 8-K filed on January 24, 2005.
- (14) Incorporated by reference from the Company's Current Report on Form 8-K filed on April 20, 2005.
- (15) Incorporated by reference from the Company's Annual Report on Form 10-K for the year ended December 31, 2005 filed on March 16, 2006.
- (16) Incorporated by reference from the Company's Current Report on Form 8-K filed on February 24, 2006.
- (17) Incorporated by reference from the Company's Current Report on Form 8-K filed on March 18, 2013.
- (18) Incorporated by reference from the Company's Definitive Proxy Statement filed on April 11, 2014.
- (19) Incorporated by reference from the Company's Current Report on Form 8-K filed on January 25, 2007.
- (20) Incorporated by reference from the Company's Current Report on Form 8-K filed on March 15, 2007.
- (21) Incorporated by reference from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2007 filed on May 9, 2007.
- (22) Incorporated by reference from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008 filed on May 9, 2008.
- (23) Incorporated by reference from the Company's Current Report on Form 8-A filed on March 18, 2013.
- (24) Incorporated by reference from the Company's Current Report on Form 8-K filed on March 23, 2012.

- (25) Incorporated by reference from the Company's Current Report on Form 8-K filed on May 11, 2012.
- (26) Incorporated by reference from the Company's Form S-4 Registration Statement filed on June 8, 2012.
- (27) Incorporated by reference from the Company's Current Report on Form 8-K filed on November 19, 2012.
- (28) Incorporated by reference from the Company's Current Report on Form 8-K filed on May 16, 2013.
- (29) Incorporated by reference from the Company's Current Report on Form 8-K filed on September 30, 2003.
- (30) Incorporated by reference from the Company's Current Report on Form 8-K filed on June 13, 2014.
- (31) Incorporated by reference from the Company's Definitive Proxy Statement filed on April 27, 2007.
- (32) Incorporated by reference from the Company's Annual Report on Form 10-K for the year ended December 31, 2014 filed on March 2, 2015.

* In accordance with Rule 406T of Regulation S-T, the XBRL related information in Exhibit 101 is deemed not filed or part of a registration statement or prospectus for purposes of sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of section 18 of the Exchange Act of 1934 and otherwise is not subject to liability under these sections.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

Date: March 27, 2015

iSTAR FINANCIAL INC.
Registrant

/s/ DAVID DISTASO

David DiStaso
*Chief Financial Officer (principal financial and
accounting officer)*

iSTAR FINANCIAL INC.
2013 PERFORMANCE INCENTIVE PLAN

AWARD AGREEMENT FOR INVESTMENT POOL (2013-2014)

You have been granted an award, as set forth herein, under the iStar Financial Inc. 2013 Performance Incentive Plan (the “Plan”), a copy of which is attached to this Award Agreement and incorporated herein by this reference. Capitalized but undefined terms shall have the meanings given such terms in the Plan. In addition to the terms and conditions set forth in this Award Agreement, your award of Points and participation in the Plan is subject to the terms and conditions of the Plan.

Participant: [INSERT NAME]

Date of Grant: May 22, 2014 (date of shareholder approval of the Plan)

Investment Pool: Covers Investments made during the period January 1, 2013 through December 31, 2014

Points Granted: Short-Term Investments: [INSERT POINTS]
 Long-Term Investments: [INSERT POINTS]

Hurdle Rate: 9.00%.

Vesting: In general, subject to your continued employment on the vesting dates specified below, and except as otherwise provided in Section 4.3 of the Plan, you will vest in your Points in respect of the Initial Investment Pool as set forth below:

<u>Vesting Date</u>	<u>Vested Percentage</u>	<u>Cumulative Vested Percentage</u>
January 1, 2015	40%	40%
January 1, 2016	15%	55%
January 1, 2017	15%	70%
January 1, 2018	15%	85%
January 1, 2019	15%	100%

Additional IRC Section 409A Performance Condition Reduction: Solely to the extent necessary to avoid imposition of any tax or liability under Section 409A of the Internal Revenue Code, and only with respect to calendar quarters commencing with the calendar quarter following the calendar quarter in which the balance of the amount of the Company’s invested capital (whether designated as debt or equity) in the Investments in the Investment Pool is equal to zero (computed in accordance with clause (iii) of Section 4.3 of the Plan), any amount that would otherwise be credited to the iPool under clause (iv) or (v) of Section 4.3 in respect of a calendar quarter shall instead be paid 100% to the Company if the Company’s trailing 12-months EBITDA (ending on the last day of the relevant calendar quarter) is negative.

Bound by Plan: You hereby acknowledge receipt of a copy of the Plan and agree to be bound by all of the terms and provisions of the Plan, including without limitation the amendment and termination provisions of Section 7.1 of the Plan, and the clawback, forfeiture and repayment provisions set forth in Section 8.16 of the Plan.

Governing Law: This Award Agreement is governed by and construed in accordance with the laws of the State of New York and any applicable subdivision thereof.

iSTAR FINANCIAL INC.

Name:

Title:

Agreed and Accepted:

[Name of Participant]

CONSENT OF INDEPENDENT AUDITORS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-198576) and Form S-8 (No. 333-183465) of iStar Financial Inc. of our report dated February 20, 2015 relating to the consolidated financial statements of Marina Palms, LLC and Subsidiaries, appearing in Amendment No. 1 to the Annual Report on Form 10-K/A of iStar Financial Inc. for the year ended December 31, 2014.

/s/ Gerson, Preston, Robinson & Co., P.A.

Miami Beach, Florida

March 27, 2015

CERTIFICATION

I, Jay Sugarman, certify that:

1. I have reviewed this annual report on Form 10-K/A (Amendment No. 1) of iStar Financial Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 27, 2015

By: /s/ JAY SUGARMAN

Name: Jay Sugarman

Title: Chief Executive Officer

CERTIFICATION

I, David DiStaso, certify that:

1. I have reviewed this annual report on Form 10-K/A (Amendment No. 1) of iStar Financial Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 27, 2015

By: /s/ DAVID DISTASO

Name: David DiStaso

Title: *Chief Financial Officer (principal
financial and accounting officer)*

Certification of Chief Executive Officer**Pursuant to Section 906 of The Sarbanes-Oxley Act of 2002**

The undersigned, the Chief Executive Officer of iStar Financial Inc. (the "Company"), hereby certifies on the date hereof, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of The Sarbanes-Oxley Act of 2002, that the Annual Report on Form 10-K/A (Amendment No. 1) for the year ended December 31, 2014 (the "Form 10-K/A"), filed concurrently herewith by the Company, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Form 10-K/A fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 27, 2015

By: /s/ JAY SUGARMAN

Name: Jay Sugarman

Title: *Chief Executive Officer*

Certification of Chief Financial Officer
Pursuant to Section 906 of The Sarbanes-Oxley Act of 2002

The undersigned, the Chief Financial Officer of iStar Financial Inc. (the "Company"), hereby certifies on the date hereof, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of The Sarbanes-Oxley Act of 2002, that the Annual Report on Form 10-K/A (Amendment No. 1) for the year ended December 31, 2014 (the "Form 10-K/A"), filed concurrently herewith by the Company, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Form 10-K/A fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 27, 2015

By: /s/ DAVID DISTASO

Name: David DiStaso

Title: *Chief Financial Officer (principal
financial and accounting officer)*

Consolidated Financial Statements

Marina Palms, LLC and Subsidiaries

(A Delaware Limited Liability Company)

**For the Year Ended December 31, 2014 and
For The Period From April 17, 2013 Through December 31, 2013**

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Independent Auditor's Report

To the Members
Marina Palms, LLC and Subsidiaries

We have audited the accompanying consolidated financial statements of Marina Palms, LLC and Subsidiaries (a Delaware Limited Liability Company), which comprise the consolidated balance sheet as of December 31, 2014, and the related consolidated statements of operations, members' capital, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Marina Palms, LLC and Subsidiaries as of December 31, 2014, and the results of its consolidated operations and its consolidated cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

The accompanying consolidated balance sheet of Marina Palms, LLC and Subsidiaries as of December 31, 2013, and the related consolidated statements of operations, members' capital, and cash flows for the period from April 17, 2013 through December 31, 2013 were not audited, reviewed, or compiled by us and, accordingly, we do not express an opinion or any other form of assurance on them.

/s/ Gerson, Preston, Robinson & Co., P.A.
February 20, 2015
Miami Beach, Florida

Marina Palms, LLC and Subsidiaries
Consolidated Balance Sheets
At December 31, 2014 and 2013

ASSETS

	2014	2013
		(Unaudited)
Assets		
Cash and cash equivalents	\$ 5,483,536	\$ 377,291
Restricted cash	88,376,238	80,913,133
Sales contracts receivable, deemed fully collectible	133,021,548	—
Investment in real estate	30,680,725	56,760,681
Deferred selling costs	8,047,394	—
Prepaid expenses and other assets	104,977	54,050
	\$ 265,714,418	\$ 138,105,155

LIABILITIES AND MEMBERS' CAPITAL

Liabilities		
Note payable	\$ 46,814,529	\$ 35,802,298
Accounts payable and accrued expenses	12,229,472	3,497,321
Deferred revenue	118,453,716	—
Customer deposits	24,135,963	82,178,423
	201,633,680	121,478,042
Members' capital	64,080,738	16,627,113
	\$ 265,714,418	\$ 138,105,155

See accompanying notes.

Marina Palms, LLC and Subsidiaries
Consolidated Statements of Operations
For the Year Ended December 31, 2014 and
the Period From April 17, 2013 Through December 31, 2013

	2014	2013
		(Unaudited)
Revenues		
Sales of condominiums	\$ 113,992,860	\$ —
Forfeited deposits	5,000	40,000
Interest and other	127,437	33,266
Total revenues	114,125,297	73,266
Costs and expenses		
Condominium cost of sales	65,632,971	—
Operating, sales and marketing expenses	11,486,931	3,524,903
Total costs and expenses	77,119,902	3,524,903
Net income (loss)	\$ 37,005,395	\$ (3,451,637)

See accompanying notes.

Marina Palms, LLC and Subsidiaries
Consolidated Statements of Members' Capital
For the Year Ended December 31, 2014 and
the Period From April 17, 2013 Through December 31, 2013

	Capital Contributions	Retained Earnings/ (Accumulated Deficit)	Total Members' Capital
Balance, April 17, 2013 (Unaudited)	\$ —	\$ —	\$ —
Capital contributions	20,078,750	—	20,078,750
Net (loss)	—	(3,451,637)	(3,451,637)
Balance, December 31, 2013 (Unaudited)	20,078,750	(3,451,637)	16,627,113
Capital contributions	10,448,230	—	10,448,230
Net income	—	37,005,395	37,005,395
Balance, December 31, 2014	\$ 30,526,980	\$ 33,553,758	\$ 64,080,738

See accompanying notes.

Marina Palms, LLC and Subsidiaries
Consolidated Statements of Cash Flows
For the Year Ended December 31, 2014 and
the Period From April 17, 2013 Through December 31, 2013

	2014	2013
		(Unaudited)
Operating activities		
Net income (loss)	\$ 37,005,395	\$ (3,451,637)
Adjustments to reconcile net income (loss) to net cash (used in) operating activities:		
Net change in percentage of completion revenue	(54,026,242)	—
Changes in operating assets and liabilities:		
(Increase) in restricted cash	(7,463,105)	(80,913,133)
(Increase) in investment in real estate	—	(56,760,681)
(Increase) in prepaid expenses and other assets	(50,927)	(54,050)
Increase in accounts payable and accrued expenses	8,180,663	3,497,321
Increase in customer deposits	—	82,178,423
Net cash (used in) operating activities	(16,354,216)	(55,503,757)
Financing activities		
Proceeds from promissory note	—	20,000,000
Repayment of promissory note	—	(20,000,000)
Proceeds from note payable	11,012,231	35,802,298
Contributions from members	10,448,230	20,078,750
Net cash provided by financing activities	21,460,461	55,881,048
Net increase in cash	5,106,245	377,291
Cash and cash equivalents, beginning of period	377,291	—
Cash and cash equivalents, end of period	\$ 5,483,536	\$ 377,291
Supplemental disclosures of cash flow information:		
Interest paid during the period	\$ 1,574,303	\$ 1,368,892
Interest capitalized to investment in real estate	\$ 1,574,303	\$ 1,368,892
Supplemental disclosures of noncash activities:		
In connection with percentage of completion revenue recognition:		
Decrease in investment in real estate due to sales	\$ (65,632,971)	\$ —
Increase in investment in real estate due to capital expenditures	39,553,015	—
Increase in sales contracts receivable	133,021,548	—
Increase in deferred selling costs	8,047,394	—
Decrease in customer deposits	58,042,460	—
Increase in deferred revenue	(118,453,716)	—
Increase in accounts payable and accrued expenses	(551,488)	—
	\$ 54,026,242	\$ —

See accompanying notes.

Marina Palms, LLC and Subsidiaries
Notes to Consolidated Financial Statements
(Information for the Period Ended December 31, 2013 is Unaudited)

1. Formation and Description of Business

Marina Palms, LLC (“the Company”), a Delaware Limited Liability Company, was formed effective December 20, 2012. The Company is in the business of residential real estate development, specializing in the High Rise multi-family product through its wholly-owned subsidiaries. The real estate is located in North Miami Beach, Florida. The purchase of the property closed on April 17, 2013. There were no activities in the Company until the time of the purchase of the property.

The current site plan is approved for 468 residential condominium units and two commercial units located in two identical, 25-story towers and a 112-slip marina (the “Project”). Construction commenced on one of the towers in September 2013.

2. Summary of Significant Accounting Policies

This summary of significant accounting policies for the Company is presented to assist in understanding the Company’s consolidated financial statements. The consolidated financial statements and notes are representations of the Company’s management who is responsible for their integrity and objectivity. These accounting policies conform to U.S. generally accepted accounting principles and have been consistently applied in the preparation of the consolidated financial statements.

Principles of Consolidation. The consolidated financial statements include the financial position of the Company and its wholly-owned subsidiary, 17093 Biscayne Boulevard - North Miami, LLC, and its wholly-owned subsidiaries, Marina Palms Residences North, LLC (“North”), Marina Palms Yacht Club, LLC (“Yacht”), and Marina Palms Residences South, LLC (“South”). All significant intercompany balances and transactions have been eliminated in consolidation.

Revenue Recognition. Revenue from sales of condominiums is recognized under the percentage-of-completion method when certain criteria have been met in accordance with Accounting Standards Codification (ASC) Subtopic 360-20, *Real Estate Sales* (ASC Subtopic 360-20). These criteria require that construction is beyond a preliminary stage, sufficient units have been sold to assure that the entire property will not revert to rental property, the buyer is committed through its initial and continuing investment, sales price is collectible, and the aggregate sales proceeds and costs can be reasonably estimated. Provisions for estimated losses are made in the year that such losses (if any) become apparent.

Cash and Cash Equivalents. The Company considers certificates of deposit with initial maturities of three months or less to be cash equivalents for purposes of balance sheet classification and the statement of cash flows.

Restricted Cash. Restricted cash includes deposits received from customers for condominium purchases, closing proceeds, and forfeited deposit income, which have not been applied to the related loan by the lender. A portion of restricted cash is used to fund construction.

Investment in Real Estate. All qualifying direct and indirect costs relating to the Company’s investment in real estate are capitalized in accordance with ASC Subtopic 970-340, *Other Assets and Deferred Costs*, and include costs related to planning and development of land or construction. Planning costs include legal costs, professional fees, market feasibility studies, engineering and architectural design, impact, and permitting fees. Construction costs include all subcontractor, direct material and labor costs and indirect costs related to overhead and supervision fees. Interest and real estate taxes are capitalized to real estate during the active development period. Indirect costs that do not clearly relate to development or construction are charged to expenses as incurred.

Investment in real estate is stated at cost, unless the property is determined to be impaired. Impairment of the property is measured by a comparison of the carrying amount of the property to future estimated cash flows expected to be generated by the property or an independent appraisal. If the property is considered impaired, the property is written down to fair value. Write-downs of impaired property to fair value are recorded as adjustments to the cost basis.

Advertising. Advertising costs are expenses as incurred.

Marina Palms, LLC and Subsidiaries
Notes to Consolidated Financial Statements
(Information for the Period Ended December 31, 2013 is Unaudited)

2. Summary of Significant Accounting Policies (Cont'd.)

Income Taxes. No provision has been made for income taxes in the accompanying financial statements since the Company is not directly subject to income taxes and the results of operations are included in the tax returns of the members.

Accounting principles generally accepted in the United States require management to evaluate tax positions taken by the Company and recognize a tax liability (or asset) if the Company has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Company, and has concluded that as of December 31, 2014 and 2013, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Financing Costs. Financing costs are deferred and are amortized over the estimated useful life of the related debt, using a method that approximates the level-yield method. Amortization of deferred financing costs during the construction period is capitalized as property costs.

Deferred Selling Costs. The Company capitalizes commissions paid to real estate brokers for the sale of its condominium units. Commissions vary by broker and are due after the buyers have fulfilled their requirement of depositing with the Company's escrow agent the amount required by the sales contract.

The Company expenses these deferred selling costs based on the percentage-of-completion method determined by the ratio of cost incurred to date to management's estimate of total anticipated construction cost.

Forfeited Customer Deposits. Forfeited customer deposits are recognized as income when (i) the Company has exhausted all efforts to encourage the buyer to close on the unit and (ii) the buyer has defaulted in accordance with the contract terms and all cure periods, if any, have expired or the buyer has been offered and accepted a cancellation and release agreement releasing the buyer from the terms of the contract in exchange for forfeiting all or a portion of their deposit. The Company provides an allowance when litigation by the buyer(s) to seek recovery of all or a portion of their deposits, including the Company's cost to defend such suits, is probable.

Use of Estimates. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts to revenues and expenses during the reporting period. Actual results could differ from those estimates.

Business Risk. A deterioration in national, regional, and local economic conditions could adversely impact the Company's operations and may have a material impact on the Company's business. The Company's revenues, financial condition, and results of operations could decline due to this deterioration of national, regional and local economies.

Impairment of Long-lived Assets. In accordance with ASC 360-10 and 360-20, *Accounting for the Impairment of Long-Lived Assets*, long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require an asset to be tested for possible impairment, the Company first compares the undiscounted cash flows expected to be generated by that asset to its carrying value. If the carrying value of the asset is not recoverable on an undiscounted cash flow basis, an impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values, and third party independent appraisals, as considered necessary. At December 31, 2014, no impairment losses were recorded.

Subsequent Events. The Company has evaluated subsequent events through February 20, 2015, the date these financial statements were available to be issued.

Marina Palms, LLC and Subsidiaries
Notes to Consolidated Financial Statements
(Information for the Period Ended December 31, 2013 is Unaudited)

2. Summary of Significant Accounting Policies (Cont'd.)

Recently Issued Accounting Pronouncements. In August 2014, the FASB issued ASU No. 2014-15, *Presentation of Financial Statements—Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern* ("ASU 2014-15"), which requires management to evaluate, at each reporting period, whether there are conditions or events that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date the financial statements are issued and provide related disclosures. This ASU applies to all entities and is effective for periods ending after December 15, 2016. The adoption of ASU 2014-15 is not expected to have a material effect on the Company's consolidated financial statements or disclosures.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"), which provides guidance for revenue recognition. ASU 2014-09 affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets and supersedes the revenue recognition requirements in Topic 605, "Revenue Recognition," and most industry-specific guidance. This ASU also supersedes some cost guidance included in Subtopic 605-35, "Revenue Recognition—Construction-Type and Production-Type Contracts." ASU 2014-09's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which a company expects to be entitled in exchange for those goods or services. In doing so, companies will need to use more judgment and make more estimates than under today's guidance, including identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. ASU 2014-09 is effective for the Company beginning January 1, 2017 and, at that time, the Company may adopt the new standard under the full retrospective approach or the modified retrospective approach. Early adoption of this ASU is not permitted. The Company is currently evaluating the method and impact the adoption of ASU 2014-09 will have on the Company's consolidated financial statements and disclosures.

In February 2015, the FASB issued ASU 2015-02, *Amendments to the Consolidation Analysis* ("ASU 2015-02") which updates the consolidation model for limited partnerships and similar legal entities. ASU 2015-02 includes the evaluation of fees paid to a decision maker as a variable interest and amends the effect of fee arrangements and related parties on the primary beneficiary determination. The guidance is effective for interim and annual reporting periods beginning after December 15, 2015. Early adoption is permitted. Management is evaluating the impact of the guidance on the Company's consolidated financial statements and disclosures.

3. Concentration of Credit Risk

The Company maintains its cash balances in a financial institution located in Florida. The balances are insured by the Federal Deposit Insurance Corporation. As of December 31, 2014, the Company had a balance in excess of the insured limit.

4. Notes Payable

On November 13, 2013, North, Yacht and South, closed on a \$98 million construction note payable with a bank. The loan matures on November 15, 2015 and bears interest at a variable rate which was 3.91% at both December 31, 2014 and 2013. The loan is collateralized by the property. Interest expense on this note was \$1,574,303 and \$115,559 for the year ended December 31, 2014 and the period ended December 31, 2013, respectively, and was capitalized to investment in real estate.

On April 17, 2013, North, Yacht and South obtained a promissory note in the amount of \$20,000,000. The proceeds of the loan were used to purchase the property. The interest rate for the loan was equal to the greater of a variable rate or 11.0%. The loan was paid off in November 2013 through the proceeds of the promissory note detailed above. Interest expense on this note was \$1,283,333 for the period ended December 31, 2013 and was capitalized to investment in real estate.

Marina Palms, LLC and Subsidiaries
Notes to Consolidated Financial Statements
(Information for the Period Ended December 31, 2013 is Unaudited)

5. Fair Value Measurements

(a) Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of the Company's financial instruments at December 31, 2014 and 2013:

- The carrying value of cash and cash equivalents, restricted cash, sales contracts receivables, deferred selling costs, prepaid expenses and other assets, accounts payable and accrued expenses, deferred revenue and customer deposits approximate fair value due to the short maturity of these instruments.
- The carrying value of the note payable approximates its fair value due to the interest rate being reset to the market rate on a periodic basis.

The fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

(b) Fair Value Hierarchy

The Company applies the provisions of *Accounting Standards Codification* ("ASC") 820, *Fair Value Measurements and Disclosures*, for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the statements of financial position on a recurring basis. ASC Topic 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC Topic 820 also establishes a framework for measuring fair value and expands disclosures about fair value measurements.

ASC Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access at the measurement date.

Level 2 Inputs to the valuation methodology include:

- a) Quoted prices for similar assets or liabilities in active markets;
- b) Quoted prices for identical or similar assets or liabilities in inactive markets;
- c) Inputs other than quoted prices that are observable for the asset or liability;
- d) Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level of input that is significant to the fair value measurement in its entirety.

The Company does not have any financial assets and financial liabilities that are measured at fair value on a recurring basis as of December 31, 2014 and 2013. The financial statements as of December 31, 2014 and 2013 do not include any significant nonrecurring fair value measurements relating to assets or liabilities for which the Company had adopted the provisions of ASC Topic 820.

The Company values its investment in real estate at fair value on a nonrecurring basis if it is determined that an impairment has occurred. Such fair value measurements use significant other observable inputs and significant unobservable inputs and are classified as Level 2 or Level 3 as determined appropriate. No impairments have been recorded on this property.