



iStar Financial Inc.
\$500,000,000 Senior Floating Rate Notes Due 2010
\$300,000,000 5.500% Senior Notes Due 2012
\$250,000,000 5.850% Senior Notes Due 2017

| | <u>Senior Floating Rate Notes Due 2010</u> | <u>5.500% Senior Notes Due 2012</u> | <u>5.850% Senior Notes Due 2017</u> |
|---|---|---|---|
| Issuer: | iStar Financial Inc. | iStar Financial Inc. | iStar Financial Inc. |
| Ranking: | Senior Notes | Senior Notes | Senior Notes |
| Ratings (Moody's/S&P/Fitch): | Baa2 / BBB / BBB | Baa2 / BBB / BBB | Baa2 / BBB / BBB |
| Trade Date: | March 6, 2007 | March 6, 2007 | March 6, 2007 |
| Settlement Date (T+3): | March 9, 2007 | March 9, 2007 | March 9, 2007 |
| Maturity: | March 9, 2010 | June 15, 2012 | March 15, 2017 |
| Principal Amount: | \$500,000,000 | \$300,000,000 | \$250,000,000 |
| Pricing Benchmark: | 3-Month LIBOR | UST 4.625% due February 2012 | UST 4.625% due February 2017 |
| Benchmark Yield: | N/A | 4.475% | 4.524% |
| Spread to Benchmark: | + 35 bps | + 106 bps | + 136 bps |
| Yield to Maturity: | N/A | 5.535% | 5.884% |
| Coupon: | L + 35 bps | 5.500% | 5.850% |
| Public Offering Price: | 100.000% | 99.851% | 99.744% |
| Underwriting Discount: | 0.350% | 0.600% | 0.650% |
| Company Purchase Price: | 99.650% | 99.251% | 99.094% |
| Net Proceeds to Company: | \$498,250,000 | \$297,753,000 | \$247,735,000 |
| Interest Payment Dates: | Quarterly on the 9th of each March, June, September, and December | Semi-annually on the 15th of each June and December | Semi-annually on the 15th of each March and September |
| First Coupon Payment Date: | June 9, 2007 | June 15, 2007 | September 15, 2007 |
| Day Count: | Actual/360 | 30/360 | 30/360 |

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|---|--|--|--|
| Redemption at Issuer Option: | The Floating Rate Notes may not be redeemed prior to their maturity. | The 2012 Notes may be redeemed or purchased in whole or in part at the Company's option at any time prior to the maturity of the 2012 Notes, as applicable, at a price equal to 100% of the principal amount thereof plus the greater of: (1) 1.0% of the principal amount of such Notes; and (2) the excess of (a) the present value at such Redemption Date of (i) the principal amount of such Notes on the redemption date plus (ii) all required remaining scheduled interest payments due on such Notes through the maturity date of such Notes computed using a discount rate equal to the Treasury Rate plus 20 basis points; over (b) the principal amount of such Notes on such Redemption Date. | The 2017 Notes may be redeemed or purchased in whole or in part at the Company's option at any time prior to the maturity of the 2017 Notes, as applicable, at a price equal to 100% of the principal amount thereof plus the greater of: (1) 1.0% of the principal amount of such Notes; and (2) the excess of (a) the present value at such Redemption Date of (i) the principal amount of such Notes on the redemption date plus (ii) all required remaining scheduled interest payments due on such Notes through the maturity date of such Notes computed using a discount rate equal to the Treasury Rate plus 25 basis points; over (b) the principal amount of such Notes on such Redemption Date. |
| Minimum Denominations/Multiples: | \$2,000/\$1,000 | \$2,000/\$1,000 | \$2,000/\$1,000 |

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|---------------------|--------------------------------|---------------|--------------------------------|--------------|--------------------------------|--------------|
| Bookrunners: | Banc of America Securities LLC | \$125,000,000 | Banc of America Securities LLC | \$75,000,000 | Banc of America Securities LLC | \$62,500,000 |
| | Goldman, Sachs & Co. | \$125,000,000 | Goldman, Sachs & Co. | \$75,000,000 | Goldman, Sachs & Co. | \$62,500,000 |
| | UBS Investment Bank | \$125,000,000 | UBS Investment Bank | \$75,000,000 | UBS Investment Bank | \$62,500,000 |
| Co-Managers: | Fortis Securities LLC | \$25,000,000 | Fortis Securities LLC | \$15,000,000 | Fortis Securities LLC | \$12,500,000 |
| | HSBC | \$25,000,000 | HSBC | \$15,000,000 | HSBC | \$12,500,000 |
| | RBC Capital Markets | \$25,000,000 | RBC Capital Markets | \$15,000,000 | RBC Capital Markets | \$12,500,000 |
| | RBS Greenwich Capital | \$25,000,000 | RBS Greenwich Capital | \$15,000,000 | RBS Greenwich Capital | \$12,500,000 |
| | Scotia Capital | \$25,000,000 | Scotia Capital | \$15,000,000 | Scotia Capital | \$12,500,000 |

iStar Financial Inc. has filed a registration statement (including a prospectus and preliminary prospectus supplement) with the SEC for the offering to which this communication relates. Before you invest, you should read each of these documents and the other documents filed with the SEC and incorporated by reference in such documents for more complete information about iStar Financial Inc. and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, Banc of America Securities LLC, and Goldman, Sachs & Co., and UBS Investment Bank will arrange to send you these documents if you call them by calling Banc of America Securities LLC toll-free at 1-800-294-1322, Goldman, Sachs & Co. toll-free at 1-866-471-2526 or UBS Investment Bank toll-free at 1-888-722-9555 ext 1088.