FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington,	D.C.	20549

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

CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL OMB Number: Estimated average burden hours per response: 0.5

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

Name and Address of Reporting Person* SUGARMAN JAY					2. Issuer Name and Ticker or Trading Symbol ISTAR FINANCIAL INC [SFI]									all app	olicable)	.,	Issuer Owner	
`	,	(Middle)			3. Date of Earliest Transaction (Month/Day/Year) 03/05/2007							X	Officer (give title below)		belo	er (specify w)		
OOR																		
				4. If Amendment, Date of Original Filed (Month/Day/Year)									6. Individual or Joint/Group Filing (Check Applicable					
													Line)	-7				
RK NY	7 1	10036											X	, , ,				
														Person				
(Sta	ate) ((Zip)																
	Tabl	le I - N	on-Deriv	ative	Seci	uritie	s Ac	quire	d, Di	sposed o	f, or E	Benefi	cially	Owne	ed			
Date					Execution Date, (Year) if any		ate,						nd 5)	Beneficially Owned Following		Form: Direct	of Indirect	
								Code	v	Amount	(A) o (D)	r Price	•	Trans	action(s)		(11311. 4)	
Common Stock, \$0.001 par value 03/05/20				2007	07			S		33,000(1)	D	\$44	\$44.2106		09,430(2)	D		
Common Stock, \$0.001 par value 03/			03/05/2	.007				J	J 0		D	:	\$0		7,996 ⁽²⁾	I	By family trusts	
Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)																		
Conversion Date Execution Date, True or Exercise (Month/Day/Year) if any				of Derivation Securing Acquir (A) or Disposof (D) (Instr.	ative rities ired sed	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) Amount or Number of		Deri Sec (Ins:	vative urity	derivative Securities Beneficially Owned Following Reported	Ownershi Form: Direct (D) or Indirec (I) (Instr. 4	Beneficial Ownership t (Instr. 4)				
	(Fir OF THE OOR (State of Conversion of Exercise Orice of Derivative)	(First) (OF THE AMERICAS OR RK NY (State) (Tab) curity (Instr. 3) tock, \$0.001 par value tock, \$0.001 par value Tab a. Conversion or Exercise of Date (Month/Day/Year) Perivative Tab	(First) (Middle) OF THE AMERICAS OR RK NY 10036 (State) (Zip) Table I - N curity (Instr. 3) tock, \$0.001 par value tock, \$0.001 par value Table II 2. Conversion or Exercise of Perivative (Month/Day/Year) (Month/Day/Year)	(First) (Middle) OF THE AMERICAS OR RK NY 10036 (State) (Zip) Table I - Non-Deriv curity (Instr. 3) 2. Transact Date (Month/Day tock, \$0.001 par value 03/05/2 tock, \$0.001 par value 03/05/2 Table II - Derivat (e.g., p	(First) (Middle) OF THE AMERICAS OOR A. If Table I - Non-Derivative Curity (Instr. 3) Table II - Derivative S (e.g., puts, c.g., puts,	(First) (Middle) 3. Date of 1 03/05/200 OF THE AMERICAS OOR Table I - Non-Derivative Security (Instr. 3) 2. 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Explanation of Responses:

- 1. On March 5, 2007, 33,000 shares of common stock of iStar Financial Inc. were sold for the account of the reporting person pursuant to a Rule 10b-5-1 sales plan originally adopted by the reporting person on August 24, 2005.
- 2. Following the completion of this transaction, the reporting person is the beneficial owner of a total of 2,577,426 shares of common stock of iStar Financial Inc., of which 1,909,430 shares are owned directly and 667,996 shares are owned indirectly through three family trusts. In addition, the reporting person owns an aggregate of 131,397 restricted stock units that have not yet vested, representing the right to receive an equivalent number of shares of iStar common stock if and when the units vest, 27,382 of which units were granted pursuant to an award dated March 2, 2006 and 104,015 of which units were granted pursuant to an award dated January 19, 2007.

03/05/2007 /s/ Jay Sugarman

** Signature of Reporting Person

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.

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