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): October 19, 2001

ISTAR FINANCIAL INC.

(Exact Name of Registrant as Specified in its Declaration of Trust)

Maryland1-1015095-6881527(State or Other(Commission(IRS EmployerJurisdiction ofFile Number)Identification No.)Incorporation)

1114 Avenue of the Americas, 27th Floor New York, New York 10036 (Address of Principal Executive Offices)(Zip Code)

Registrant's telephone number, including area code: (212) 930-9400 ITEM 5.

In connection with a proposed secondary offering of its common stock, iStar Financial Inc. will make a presentation to potential investors, a copy of which is attached as Exhibit 99.1.

ITEM 7. EXHIBITS

Exhibit 99.1 iStar Financial Inc. Equity Offering Investor Presentation dated October 2001.

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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:	October 18, 2001	By: /s/ Jay Sugarman	
		Jay Sugarman Chairman and Chief Executive Off	ficer
Date:	October 18, 2001	By: /s/ Spencer B. Haber	
		Spencer B. Haber	

President and Chief Financial Officer

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(i)STAR|FINANCIAL Creative Capital Solutions(SM)

EQUITY OFFERING

October 2001

DISCLAIMER (i)STAR|FINANCIAL [LOGO]

Statements in this presentation which are not historical fact may be deemed forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Although iSTAR Financial Inc. (the "Company") believes the expectations reflected in any forward-looking statements are based on reasonable assumptions, the Company can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from the Company's expectations include completion of pending investments, continued ability to originate new investments, the availability and cost of capital for future investments, competition within the finance and real estate industries, economic conditions, and other risks detailed from time to time in the Company's SEC reports.

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OFFERING SUMMARY	(i)STAR FINANCIAL [LOGO]
SHARES OFFERED:	15 million secondary common shares
RECENT PRICE:	\$25.80
CURRENT DIVIDEND YIELD:	9.5%
BOOK-RUNNER:	Merrill Lynch & Co.
JOINT LEAD MANAGER:	Lehman Brothers
CO-MANAGERS:	Banc of America Securities LLC Bear, Stearns & Co. Inc. Salomon Smith Barney UBS Warburg

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OUR MARKET FOCUS (i)STAR|FINANCIAL [LOGO]

Dominant provider of structured financing for transactions where corporate credit, real estate and capital markets intersect.

CORPORATE TENANT LEASING

CORPORATE CREDIT MARKETS REAL ESTATE MARKETS

	CORPORATE FINANCE	CAPITAL MARKETS	STRUCTURED REAL ESTATE FINANCE	
		4		
		-		
WHAT WE DO ======			(i)STAR FINANCIAL [L	
Unique busi		icing high-end privat quire highly structur	e and corporate owners of ed financing.	real
PRICE				
^ HI	GHER EXPERTISE REQU	JIRED, HIGHER MARGINS	ACHIEVABLE	
		(\$600 bn market) LIFE COMPANIES, COMMERCIAL BANKS (multiple competito		Ľ
	bn market)			
	CONDUITS commodity)			>
WHAT WE DO		5	t Market - Structured Prod (i)STAR FINANCIAL [L	
WHAT WE DO				
WHAT WE DO				
	LOANS 4 BILLION	5 \$4.1 BILLION		.0G0] ====
======== \$2	LOANS	5 \$4.1 BILLION	(i)STAR FINANCIAL [L LEASES	.0G0] :====
======== \$2	LOANS 4 BILLION	5 \$4.1 BILLION	(i)STAR FINANCIAL [L LEASES \$1.7 BILLION	.0G0] =====
\$2. 0 46% 1 > 0 54% C PARTN	LOANS 4 BILLION ST MORTGAGES	5 \$4.1 BILLION OWNED RECEIVABLES	(i)STAR FINANCIAL [L LEASES \$1.7 BILLION 0 52% INVESTMENT GR	.0G0] ===== ADE TERM
\$2. 0 46% 1 > 0 54% C PARTN	LOANS 4 BILLION ST MORTGAGES 0% - 66% LTV CORPORATE LOANS / JERSHIP LOANS /	5 \$4.1 BILLION OWNED RECEIVABLES	(i)STAR FINANCIAL [L LEASES \$1.7 BILLION 0 52% INVESTMENT GR 0 8.4 YEAR AVERAGE 0 120 INVESTMENTS /	.0G0] ===== ADE TERM
\$2 0 46% 1 > 0 54% C PARTN 2ND M >	LOANS 4 BILLION ST MORTGAGES 0% - 66% LTV CORPORATE LOANS / IERSHIP LOANS / IORTGAGES	5 \$4.1 BILLION OWNED RECEIVABLES	(i)STAR FINANCIAL [L LEASES \$1.7 BILLION 0 52% INVESTMENT GR 0 8.4 YEAR AVERAGE 0 120 INVESTMENTS /	.0G0] ===== ADE TERM
\$2 0 46% 1 > 0 54% C PARTN 2ND M >	LOANS 4 BILLION ST MORTGAGES 0% - 66% LTV CORPORATE LOANS / IERSHIP LOANS / IORTGAGES 57% - 75% LTV	5 \$4.1 BILLION OWNED RECEIVABLES	(i)STAR FINANCIAL [L LEASES \$1.7 BILLION 0 52% INVESTMENT GR 0 8.4 YEAR AVERAGE 0 120 INVESTMENTS /	.0G0] ===== ADE TERM
\$2. 0 46% 1 > 0 54% C PARTN 2ND M > 0 68 LO. WHAT WE DO	LOANS 4 BILLION ST MORTGAGES 0% - 66% LTV CORPORATE LOANS / IERSHIP LOANS / IORTGAGES 57% - 75% LTV MANS / 426 PROPERTIE	5 \$4.1 BILLION OWNED RECEIVABLES LOANS / LEASES	(i)STAR FINANCIAL [L LEASES \$1.7 BILLION 0 52% INVESTMENT GR 0 8.4 YEAR AVERAGE 0 120 INVESTMENTS / 162 FACILITIES (i)STAR FINANCIAL [L	.0G0]
0 46% 1 > 0 54% C PARTN 2ND M > 0 68 LO WHAT WE DO =========	LOANS 4 BILLION ST MORTGAGES 0% - 66% LTV ORPORATE LOANS / IERSHIP LOANS / IORTGAGES 57% - 75% LTV MANS / 426 PROPERTIE	5 \$4.1 BILLION OWNED RECEIVABLES LOANS / LEASES ES 6 and investment strat	(i)STAR FINANCIAL [L LEASES \$1.7 BILLION 0 52% INVESTMENT GR 0 8.4 YEAR AVERAGE 0 120 INVESTMENTS / 162 FACILITIES (i)STAR FINANCIAL [L	.0G0] ADE TERM
\$2. 0 46% 1 > 0 54% C PARTN 2ND M > 0 68 LO WHAT WE DO ====================================	LOANS 4 BILLION ST MORTGAGES 0% - 66% LTV ORPORATE LOANS / IERSHIP LOANS / IORTGAGES 57% - 75% LTV MANS / 426 PROPERTIE	5 \$4.1 BILLION OWNED RECEIVABLES LOANS / LEASES ES 6 and investment strat	(i)STAR FINANCIAL [L LEASES \$1.7 BILLION 0 52% INVESTMENT GR 0 8.4 YEAR AVERAGE 0 120 INVESTMENTS / 162 FACILITIES (i)STAR FINANCIAL [L egy reflect eight years of	.0G0] :==== :ADE TERM

AVERAGE % INVESTMENT OF PRODUCT LINE DESCRIPTION SIZE (MILLIONS) REVENUE
LENDING: STRUCTURED FINANCE Institutional- quality
single assets. \$35.2 24.8%
CORPORATE FINANCE Secured and unsecured loans to public and \$40.5 14.3% private companies

======
TOTAL: 54.3%
TOTAL: 54.3%
LEASING:
CORPORATE
TENANT
LEASING
Strategic
facilities
net-leased to
\$14.4 45.7%
corporate
customers

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 SUPERIOR BUSINESS MODEL
 (i)STAR|FINANCIAL [L0G0]

- NON-COMMODITY FOCUS: Core value proposition: provide level of service, knowledge, creativity and flexibility unavailable from other lenders.
 - > Do not compete on price.
 - > Avoid commodity businesses such as conduit lending, CMBS, RMBS.
- LOWER LEVERAGE, HIGHER ROE: Higher ROA yields higher ROE with lower leverage.
 - > Nearly \$2 billion of tangible equity capital in place to support future expansion.
- o TAX-ADVANTAGED RETURNS: Tax-exempt structure creates additional benefits.
 - > REIT structure provides superior returns on equity at a fraction of the leverage of taxable finance companies.
- MATCH-FUNDING DISCIPLINE: Minimal exposure to changes in interest rates and mismatched maturities.
 - > 100 basis point move in short-term rates has no impact on earnings.
- o MANAGEMENT EXPERTISE: Management team with leading talent/experience across all key success disciplines principals, not processors.
 - > Highly disciplined risk management minimizes losses and surprises.
- EQUITY-INCENTIVIZED MANAGEMENT: Employees and directors own approximately
 \$160 million of the Company's common equity.

> No one is compensated for production.

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MANAGIN	G GROWTH					(i)STAR FINANCIAL [LOGO]
						nancing transactions in from repeat customers.
[The f	ollowing	table wa	s represented	by a bar	chart	in the printed material.]
12/31, 12/31, 12/31, 12/31, 12/31, 12/31, 9/30/ \$768.6 \$933.6 \$1,210 \$2,250 \$3,260 \$4,283 \$5,114 iSTA Finance (Starw Mezzan Invest and Starw Opportu Fund 1	/95 /96 /97 /98 /99 /00 /01 0(1) 0(1) 0.3 0.1 6.8 3.4 4.9 AR cial ssors AR cial wood nine cors I ood unity IV)					red, placed and/or structured
נס	y SFI.					
				9		
ASSET Q	UALITY A	ND DIVERS	IFICATION			(i)STAR FINANCIAL [LOGO]
	Owi	ned Recei	geography an vables at Sept	d propert ember 30,	ty typ , 2001	. (\$4.1 billion)
						Property Type
[PIE CH	ART OMIT	TED]	[PIE CHART	OMITTED]	[PIE CHART OMITTED]
				10		
INVESTM	ENT / UNI	DERWRITIN	G PROCESS			(i)STAR FINANCIAL [LOGO]
D I	======= nitial t ethodolog	ransactio gy(SM).	n screening an	id evaluat	tion u	sing proprietary Six Point
o I M	ethodolo	gy(SM).	-			

> Equity Sponsor/Corporate Lessee > Liquidity/Match Funding

- o Intensive underwriting process provides for comprehensive review of potential investments from all key disciplines.
 - > Investments
 - > Credit
 - > Risk Management
 - > Legal
 - > Capital Markets

o Multi-tiered approval process.

- > \$0 \$30 Million: Management Investment Committee
- > \$30- \$50 Million: Board Investment Committee
- > Over \$50 Million: Full Board of Directors

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CASE STUDY: PORTFOLIO FINANCE	====	(i)STAR FINANCIAL [LOGC					
San Diego Office Portfolio							
		Collateral: Cross collateralized portfolio of downtown office buildings totaling 1.1 million sf.					
	0	Equity Sponsor: Southwest Value Partners, a leading private real estate investment firm.					
	0	Investment Structure: 1st and 2nd mortgages.					
[PHOTO]	0	Credit Statistics:					
		> LTV: 76%.					
		> DSCR: 1.94x.					
	0	Match Funding Vehicle: STARs(SM).					
	0	Match Funded ROE: 14.01%.					
		12					
CASE STUDY: CORPORATE FINANCE		(i)STAR FINANCIAL [LOGO]					
140 Apartment Communities							
	0	Collateral: Diversified portfolio of 140 apartment communities located primarily in 10 major U.S. markets.					
		Equity Sponsor: Olympus Real Estate, a large institutional private equity firm.					
[]		<pre>> \$400 million equity investment junior to iSTAR.</pre>					
[PHOTO]	0	Investment Structure: Mezzanine					
	0	Credit Statistics:					
		> LTV: 59% -77%.					

DSCR: 1.33x. > Match Funding Vehicle: Syndicated term loan. 0 Match Funded ROE: 22.22%. 0 13 COMPREHENSIVE RISK MANAGEMENT (i)STAR|FINANCIAL [LOG0] _____ ISTAR FINANCIAL HAS ONE OF THE LOWEST LOSS RATIOS IO THE FINANCE INDUSTRY. 50+ person risk management team with in-house expertise in asset 0 management, corporate credit, loan servicing, project management and engineering. 0 Proactive strategy centered around information sharing, frequent customer contact and "early warning" system. 0 Compilation and analysis of asset information is distributed on-line to all iSTAR Financial professionals on a continuous, real-time basis. Comprehensive risk rating process that enables us to evaluate, monitor and 0 pro-actively manage asset-specific credit issues and identify credit trends on a portfolio-wide basis. [The following table was represented by a bar chart in the printed material.] WEIGHTED AVERAGE STRUCTURED FINANCE RISK RATINGS (1=LOWEST RISK; 5=HIGHEST RISK) Dec-98 Mar-99 Jun-99 Sep-99 Dec-99 Mar-00 Jun-00 Sep-00 Dec-00 Mar-01 2.64 2.55 2.71 2.62 2.63 2.54 2.55 2.59 2.50 2.53 14

LEASE EXPIRATION PROFILE (i)STAR|FINANCIAL [LOGO]

At September 30, 2001, the weighted average remaining lease term of iSTAR Financial's corporate tenant leasing portfolio was 8.4 years. The portfolio is over 99% leased.

Lease Expiration Profile (at September 30, 2001)

[The following table was represented by a bar chart in the printed material.]

2001	2002	2003	2004	2005	2006	2007	2008	2009
0.7%	2.1%	3.4%	5.0%	2.9%	5.9%	3.8%	1.5%	21.0%

Jun-01

2.68

Sep-01

2.82

and thereafter

(% of Q3'01 annualized total revenue)

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POTENTIAL INVESTOR CONSIDERATIONS (i)STAR|FINANCIAL [LOGO]

HOTEL LENDING EXPOSURE:

b Hotel lending is not an overly large concentration for the Company. Twelve

hotel loans totaling \$538 million represent approximately 13% of total assets.

- > All hotel loans have lock boxes and ten of the 12 loans have cash traps that are triggered before debt service coverage gets to 1.0x.
- Leading downtown properties in supply-constrained markets and large, diversified pools of cross collateralized assets.
 - > Hotel collateral is broadly diversified with over 110 underlying properties in over 75 geographic markets.
 - > No resort assets.
- Hotel loans averaged over 1.7x TTM actual debt service coverage prior to September 11, creating substantial capacity for large drops in collateral cash flows prior to our loans being impacted.
- \$27 million of reserves (excluding insurance and tax reserves). Including these reserves, underlying collateral cash flows would have to decrease by approximately 50% to create 1.0x coverage on our loans.
- o Significant borrower cash equity junior to us.
 - > \$752 million of borrower equity underlying our loans.
- Hotel collateral operating performance has steadily improved since September 17 and borrowers have aggressively cut costs.
 - > Average occupancy has been steadily increasing, with latest available weekday figure of 70%.

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POTENTIAL INVESTOR CONSIDERATIONS (i)STAR|FINANCIAL [LOGO]

TECH/TELECOM EXPOSURE:

- o Lending exposure not meaningful (2.9% of 3Q'01 total revenues).
- o CTL exposure dominated by leading publicly-traded software, equipment and service companies; no "dot coms."
- o 5 of Top 10 CTL exposures are investment grade: IBM, Nokia, Verizon, Mitsubishi and HP.
- o CUMULATIVE California CTL rollover through 12/02 just 0.7% of SFI 3Q'01 total revenues.
- o SFI's exposure is backed by corporate credit AND hard real estate assets at attractive book basis.

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DEEP,	BROAD CAPITAL RESOURCES	(i)STAR FINANCIAL [LOGO]
	Secured Credit Facilities	
0	State-of-the-art, committed revolvers from RBS, Brothers.	Deutsche Bank and Lehman
0	\$1.9 billion (capacity) in place.	
0	\$693 million outstanding.	
0	Primary source of working capital.	
	Unsecured Credit Facilities	
	Looding commercial banks, including Dank of Amer	cian Doutacha Dank Flast

D Leading commercial banks, including Bank of America, Deutsche Bank, Fleet and UBS.

0	\$300 million (capacity).
0	\$0 outstanding.
	Match Funding Facilities
0	iSTAR Asset Receivables (STARsSM).
	> Recent upgrades strengthen funding capabilities and lower costs.
0	Term lending relationships with a dozen commercial banks and insurance companies. Unsecured Corporate Bonds
	Unsecured Corporate Bonds
0	Ba1 / BB+ / BB+ (positive) senior unsecured credit ratings.
	Positive credit momentum should lead to investment grade rating within 12-24 months.
	o \$625 million outstanding.
As of	F September 30, 2001.
	18
	10
	ERVATIVE FINANCIAL POLICIES (i)STAR FINANCIAL [LOGO]
0	SFI's leverage policies provide for a maximum targeted 1.5 - 2.0x book debt/equity ratio.
0	Maximum leverage range developed by satisfying the following primary objectives:
	> 15 - 20% sustainable ROE target.
	> Ability to match-fund in long-term, secured debt markets if credit facilities, corporate debt or equity is unavailable.
0	Maintain large equity base.
	> \$1.8 billion tangible book equity.
0	Match-funding discipline: maturities and interest rates.
	> 100 basis point change in short term rates has no impact on adjusted earnings.
0	Comprehensive reserve policies.
	> No losses experienced to date.
	 Loan loss reserves (including accumulated CTL depreciation) equals 220 basis points of owned receivables.
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SUPEF	RIOR RISK-ADJUSTED RETURNS (i)STAR FINANCIAL [LOGO]

SFI has generated superior risk-adjusted returns on invested capital...

[The following table was represented by a bar chart in the printed material.]

9/30/1998 12/31/1998 3/31/1999 6/30/1999 9/30/1999 12/31/1999

3/31/2000 6/30/2000 9/30/2000 12/31/2000 ROAA 6.0%
5.3% 5.9%
6.0% 6.4%
6.5% 6.6%
6.7% 6.7%
6.8% ROAE
12.3%
13.0%
13.6%
14.1%
14.7%
14.8%
15.1%
15.5%
16.1% 16.7%
3/31/2001
6/30/2001
9/30/2001 ROAA 7.0%
7.2% 7.2%
ROAE 17.3%
17.5%
17.9%
11.5%

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CONSERVATIVE LEVERAGE (i)STAR|FINANCIAL [LOGO]

...while maintaining conservative leverage ratios...

[The following table was represented by a bar chart in the printed material.]

9/30/1998 12/31/1998 3/31/1999 6/30/1999 9/30/1999 12/31/1999 3/31/2000 6/30/2000 9/30/2000 12/31/2000 Debt / Equity 1.3x 1.1x 1.2x 1.2x 1.1x 1.1x 1.1x 1.2x 1.2x 1.2x 3/31/2001 6/30/2001 9/30/2001 Debt / Equity 1.2x 1.2x 1.3x

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SOLID EARNINGS GROWTH (i)STAR|FINANCIAL [LOGO]

...and generating solid growth in adjusted earnings per share.

[The following table was represented by a bar chart in the printed material.]

9/30/1998 12/31/1998 3/31/1999

6/30/1999					
9/30/1999 12/31/1999					
3/31/2000					
6/30/2000					
9/30/2000					
12/31/2000					
Sales \$					
0.43 \$					
0.43 \$					
0.45 \$					
0.49 \$					
0.52 \$					
0.60 \$					
0.64 \$					
0.66 \$					
0.68 \$					
0.69					
3/31/2001					
6/30/2001					
9/30/2001					
Sales \$					
0.71 \$					
0.72 \$					
0.73					
	uning - No	+ Tuo omo i	Denvesistion	. Amoutication	
Adjusted Ea	arnings = Ne	t income +	Depreciation	+ Amortization.	

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THREE SOURCES OF INVESTOR UPSIDE (i)STAR|FINANCIAL [LOGO]

o Continued earnings growth and attractive dividend.

o Multiple expansion based on compelling valuation relative to peer group.

(\$ IN
MILLIONS,
EXCEPT
SHARE
PRICE)
Share
Common
Price
Market
Cap. LTM
Price/
Dividend
Company
Ticker
(10/15/01)
(\$ MM)
AEPS (1)
AEPS ROAA
ROAE Yield

- iSTAR Financial SFI \$25.80 \$2,277 \$2.80 9.2x 7% 18% 9.5% Allied Capital Corp. (2) ALD 22.40 2,109 2.12 10.6x 9% 16% 9.1% American Capital **Strategies** ACAS 26.90 914 2.17 12.4x 9% 12% 8.3% ----- ----- - - -ALD/ACAS AVERAGE 11.5X 9% 14% Heller Financial, Inc. (3) HF 35.90 3,527 3.35 10.7x 2% 16% 1.1% iSTAR FINANCIAL @ ALD/ACAS AVERAGE \$32.17

Source: Public filings as of 6/30/01; figures are last 12 months; share count is diluted outstanding.

(1) Adjusted Earnings = Net Income + Depreciation + Amortization.

- (2) ROAA and ROAE exclude net unrealized gains.
- (3) Heller price as of 7/27/01, one-day prior to acquisition announcement by GE Capital Corp. at \$53.75 per share. 16.0x LTM AEPS transaction multiple.

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THREE SOURCES OF INVESTOR UPSIDE (i)STAR|FINANCIAL [LOGO]

 Significant ratings upside potential. iSTAR Financial outscores the A-rated finance company peer group on both risk and profitability metrics.

--------------------- - - - - - - - - - ---------------**iSTAR PEER** GROUP PEER GROUP FINANCIAL MEAN(1)MEDIAN(1) - - - - - - - - - - ---------------------- - - - - - - - - - -- - - - - - - - - -_ _ _ _ _ _ _ _ _ _ _ SENIOR

UNSECURED CREDIT RATING BA1 / BB+ A3 / A- A3 / A------------------------------------TANGIBLE B00K EQUITY (\$ IN MILLIONS) \$ 1,821 \$ 1,833 \$ 1,421 -------------------------------------TOTAL LIABILITIES / TANGIBLE EQUITY 1.3X 8.5x 8.1x ---EBIDA / INTEREST 2.7X 1.7x 1.6x ROAA 7.2% 1.4% 1.3% --------------------------------- ROAE 17.9% 10.6% 10.3% --- G&A / REVENUE 5.5% 19.1% 18.8% RATING AGENCY RISK-BASED CAPITAL ADEQUACY SCORE 2.43 0.89 0.94 ---------------

(1) Peer Group includes CIT Group Inc., GATX Capital, Heller Financial and Textron Financial.

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INVESTMENT HIGHLIGHTS (i)STAR|FINANCIAL [LOGO]

- o Largest independent finance company in attractive \$100 \$150 billion market niche.
- o Consistent, eight-year track record of superior results.
- Intensive risk management and employee ownership lead to best loss performance in finance industry.
- o Significant upside potential for investors from:
 - > Strong total rate of return (growth and dividends).
 - > Multiple expansion.
 - > Ratings upgrade.

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