

**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): **January 9, 2006**

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, 27th 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 1.01 Entry into a Material Definitive Agreement.

On January 9, 2006, iStar DB Seller, LLC, a wholly-owned subsidiary of iStar Financial Inc. (the "Registrant"), as Borrower, entered into an amended and restated master repurchase facility (the "Amended and Restated Facility") with Deutsche Bank AG, Cayman Islands Branch. The original master repurchase facility, dated as of January 11, 2001, was included as an exhibit to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2001 filed on May 15, 2001. The Amended and Restated Facility will, among other things, modify the principal amount of the facility from \$700 million to \$500 million, and will extend the maturity date by two years, bringing the final maturity date now to January 28, 2009.

2

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, thereunto duly authorized.

iSTAR FINANCIAL INC.

Date: January 9, 2006

By: /s/ Jay Sugarman
Jay Sugarman

Date: January 9, 2006

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