
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

SCHEDULE 13G

(RULE 13D-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULES 13D-1(b), (c) and (d) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13D-2(b)

(AMENDMENT NO. 1)*

ISTAR FINANCIAL INC. (Name of Issuer)

COMMON STOCK, PAR VALUE \$0.001 (Title of Class of Securities)

> 85569R 104 (CUSIP Number)

DECEMBER 31, 2003

(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

[] Rule 13d-1(b) [X] Rule 13d-1(c) [] Rule 13d-1(d)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

> Page 1 of 13 pages

(Continued on following pages)

CUSIP NO.	85569R 1	.04		13G					
1		REPOR	RTING PERSONS/					ABOVE	PERSONS
	SOFI-IV	SMT Ho	oldings, L.L.C						
2									
3	SEC USE								
4	CITIZENS	SHIP OR	PLACE OF ORG						
	Delaware)							
			SOLE VOTING P						
NUMBERS C			2,500,000						
BENEFICIAL OWNED BY EACH		6	SHARED VOTING						
REPORTIN PERSON WIT			0						
		7	SOLE DISPOSIT	IVE POW	IER				
			2,500,000						
		8	SHARED DISPOS	ITIVE F	POWER				
			0						
9			ATE AMOUNT BE				EPOR	ΓING P	ERSON
		2,500,000							
10 C		CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES							
11	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)								
TYPE OF REPORTING PERSON 00									

CUSIP NO.	85569R 1	L04	136				
1	NAMES OF REPORTING PERSONS/I.R.S. IDENTIFICATION NOS. OF ABOVE (ENTITIES ONLY)					PERSONS	
	Starwood Opportunity Fund IV, L.P.						
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X] (b) []					= =	
3	SEC USE	ONLY					
4	CITIZENS	SHIP OF	PLACE OF ORGANIZATIO	N			
	Delaware	ė					
		5	SOLE VOTING POWER				
NUMBERS (SHARES	LLY		9				
OWNED BY		6	SHARED VOTING POWER				
EACH REPORTIN PERSON WIT		2,500,000 (includes all shares beneficially owned be SOFI-IV SMT Holdings, L.L.C.) 7 SOLE DISPOSITIVE POWER					
			Ð				
		8	SHARED DISPOSITIVE PO	 WER			
			2,500,000 (includes a SOFI-IV SMT Holdings,		ally owned by	/	
:		AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON					
		2,500,000 (includes all shares beneficially owned by SOFI-IV SMT Holdings, L.L.C.)					
10 CHECK BOX IF THE AGGREGATE AMOUNT IN R SHARES					TAIN []		
11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) 2.4%							
12 TYPE OF REPORTING PERSON							
PN							

CUSIP NO.	85569R	104	136	PAGE 4 OF 13 PAG			
1	NAMES OF REPORTING PERSONS/I.R.S. IDENTIFICATION NOS. OF A (ENTITIES ONLY)						
	SOFI IV	Manag	ement, L.L.C.				
 2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP						
				(a) [(b) [
3	SEC USE	ONLY					
4			R PLACE OF ORGANIZATION				
	Connect	icut					
		5	SOLE VOTING POWER				
NUMBERS SHARES	0F		0				
BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		6 SHARED VOTING POWER					
		2,500,000 (includes all shares beneficially owned by SOFI-IV SMT Holdings, L.L.C.) 7 SOLE DISPOSITIVE POWER					
		8	SHARED DISPOSITIVE POWER				
			2,500,000 (includes all shares benefi SOFI-IV SMT Holdings, L.L.C				
9		AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON					
			,000 (includes all shares beneficially SOFI-IV SMT Holdings, L.L.C.)	owned by			
10	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CER'SHARES						
 11		PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)					
		2.4%					
12		TYPE OF REPORTING PERSON					
		00					

CUSIP NO	. 85569R	104	13G	Page 5 of	13 pages		
1		OF REPORTING FIES ONLY)	PERSONS/I.R.S. IDEN	TIFICATION NOS. OF ABOV	E PERSONS		
	Starwo	ood Capital Gro	oup, L.L.C.				
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [3 (b) [
3	SEC US						
4 CITIZENSHIP OR PLAC			OF ORGANIZATION				
	Connec	ticut					
		5 SOLE \	OTING POWER				
NUMBERS SHARE		8,000					
BENEFICI OWNED EACH	BY	6 SHARED VOTING POWER					
REPORT PERSON W	ING	2,500,	000 (includes share SOFI-IV SMT Hol	es beneficially owned b dings, L.L.C.)	у		
		7 SOLE [DISPOSITIVE POWER				
		8,000					
		8 SHARED	D DISPOSITIVE POWER				
			SOFI-IV SMT Ho	= :			
9		AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON					
		SC	includes shares bene DFI-IV SMT Holdings,				
10		CHECK BOX IF SHARES		INT IN ROW (9) EXCLUDES	CERTAIN		
11		PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)					
		2.4%					
12			ORTING PERSON				
		00					

		:						
CUSIP NO.	85569R :	104	136					
	NAMES OF REPORTING PERSONS/I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)							
	Barry S. Sternlicht							
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X] (b) []							
3	SEC USE ONLY							
4	CITIZENS	SHIP OF	R PLACE OF ORGANIZATION					
	United States							
		5	SOLE VOTING POWER					
NUMBERS O SHARES	LLY Y NG		2,569,617					
OWNED BY		6	SHARED VOTING POWER					
EACH REPORTIN PERSON WIT			2,508,000 (includes shares beneficially owned by SMT Holdings, L.L.C. and Starwood Capital Group), L.L.	.C.)			
		7	SOLE DISPOSITIVE POWER					
			2,569,617					
		8	SHARED DISPOSITIVE POWER					
			2,508,000 (includes shares beneficially owned by SMT Holdings, L.L.C. and Starwood Capital Group					
9		AGGRE	GATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING	PERSO	ON			
	5,077,617 (includes shares beneficially owned by SOFI-IV SMT Holdings, L.L.C. and Starwood Capital Group, L.L.C.)							
10	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES							
11	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) 4.8%							
12	TYPE OF REPORTING PERSON							
	IN							
				. 	. 			

ITEMS 1-3 (OTHER THAN ITEM 2(d)) AND 6-10:

Reference is hereby made to the statement on Schedule 13G filed with the Securities and Exchange Commission on November 21, 2003 (the "Schedule 13G"). Capitalized terms used herein but not defined have the meaning given them in the Schedule 13G.

Item 2(d) to the Schedule 13G is hereby amended and restated as follows:

ITEM 2(d). TITLE OF CLASS OF SECURITIES:

This Schedule 13G is being filed with respect to the common stock, par value \$0.001 per share (the "Common Stock"), of iStar Financial Inc. The Reporting Persons' percentage ownership of Common Stock is based on 106,434,366 shares of Common Stock being outstanding.

ITEM 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS:

If this statement is being filed to report the fact that as of the date hereof the Reporting Persons have ceased to be the beneficial owner of more than five percent of the class of securities check the following [X].

Dated: February 13, 2004

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Name:

Dated as of February 13, 2004. SOFI-IV SMT HOLDINGS, L.L.C.

> Starwood Opportunity Fund IV, L.P. By:

Sole Member and Manager Its:

By: SOFI IV Management, L.L.C.

General Partner Its:

By: Starwood Capital Group, L.L.C.

Its: General Manager

/s/ Jerome C. Silvey

Jerome C. Silvey

Executive Vice President and Chief Its:

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated as of February 13, 2004. STARWOOD OPPORTUNITY FUND IV, L.P.

> SOFI IV Management, L.L.C. By:

General Partner Its:

By: Starwood Capital Group, L.L.C.

General Manager Its:

By: /s/ Jerome C. Silvey

Name:

Jerome C. Silvey Executive Vice President and Chief Its:

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated as of February 13, 2004. SOFI IV MANAGEMENT, L.L.C.

By: Starwood Capital Group, L.L.C.

Its: General Manager

By: /s/ Jerome C. Silvey

Name: Jerome C. Silvey

Its: Executive Vice President and Chief

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated as of February 13, 2004. STARWOOD CAPITAL GROUP, L.L.C.

> By: /s/ Jerome C. Silvey

Name:

Jerome C. Silvey Executive Vice President and Chief Its:

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated as of February 13, 2004.

By: /s/ Barry S. Sternlicht

Name: Barry S. Sternlicht

EXHIBIT INDEX

Exhibit	No.	Description		

Joint Filing Agreement, dated as of November 21, 2003, by and among the Reporting Persons (incorporated by reference to Exhibit No. 1 of the Schedule 13G)