

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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

OMB APPROVAL	
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1. Name and Address of Reporting Person* <u>RICE CATHERINE</u> (Last) (First) (Middle) <u>1114 AVENUE OF THE AMERCIAS, 27TH FLOOR</u> (Street) <u>NEW YORK NY 10036</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>ISTAR FINANCIAL INC [SFI]</u> 3. Date of Earliest Transaction (Month/Day/Year) <u>03/12/2008</u> 4. If Amendment, Date of Original Filed (Month/Day/Year)	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chief Financial Officer</u> 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person
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Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Preferred Stock, Series D	03/12/2008		P		1,500 ⁽¹⁾	A	\$14.368	1,500 ⁽²⁾⁽³⁾	D	
Preferred Stock, Series F	03/12/2008		P		1,000 ⁽¹⁾	A	\$13.65	2,800 ⁽²⁾⁽³⁾	D	
Preferred Stock, Series F	03/13/2008		P		1,800 ⁽¹⁾	A	\$13.7	2,800 ⁽²⁾⁽³⁾	D	
Preferred Stock, Series G	03/13/2008		P		1,500 ⁽¹⁾	A	\$13.8	1,500 ⁽²⁾⁽³⁾	D	
Preferred Stock, Series I	03/12/2008		P		2,000 ⁽¹⁾	A	\$14.05	4,200 ⁽²⁾⁽³⁾	D	
Preferred Stock, Series I	03/13/2008		P		2,200 ⁽¹⁾	A	\$13.5273	4,200 ⁽²⁾⁽³⁾	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date					

Explanation of Responses:

1. On March 12, 2008 and March 13, 2008, the Reporting Person purchased an aggregate of 10,000 shares of various series of Preferred Stock of iStar Financial Inc. in the open market, as follows: 1,500 shares of Series D Preferred Stock at an average price of \$14.3680 per share, 2,800 shares of Series F Preferred Stock at an average price of \$13.6821 per share, 1,500 shares of Series G Preferred Stock at a price of \$13.8000 per share and 4,200 shares of Series I Preferred Stock at an average price of \$13.7762 per share.

2. The Reporting Person is also the beneficial owner of a total of 194,973 shares of iStar common stock, all of which are owned directly.

3. The Reporting Person also owns 101,934 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, pursuant to awards dated March 2, 2006, January 19, 2007 and January 18, 2008.

s/ Catherine D Rice 03/14/2008
** Signature of Reporting Person Date

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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.