
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

March 25, 2004

(Date of Report (Date of Earliest Event Reported))

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)

(212) 930-9400
(Registrant's Telephone Number, Including Area Code)

ITEM 5. Other Events and Required FD Disclosure

On March 25, 2004, iStar Financial Inc. issued a press release announcing that it had agreed to sell \$250 million of 5.125% Senior Notes due 2011 to qualified institutional investors in a transaction complying with Securities and Exchange Commission Rule 144A and to non-US persons under SEC Regulation S. That press release is attached to this Current Report on Form 8-K as Exhibit 99.1. The transaction is expected to close on March 30, 2004.

ITEM 7. Exhibits

99.1 Press Release dated March 25, 2004.

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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: March 26, 2004

By: /s/ Jay Sugarman
Jay Sugarman
Chairman and Chief Executive Officer

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EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Press Release dated March 25, 2004.

News Release
COMPANY CONTACTS

Catherine D. Rice
Chief Financial Officer

Andrew C. Richardsson
Executive Vice President-Capital Markets

Laca Wong
Associate-Investor Relations

iStar Financial Agrees To Sell \$250 Million of Senior Notes

NEW YORK — March 25, 2004 — iStar Financial Inc. (NYSE: SFI) today announced that it has agreed to sell \$250 million of 5.125% Senior Notes due 2011 to qualified institutional investors in a transaction complying with Securities and Exchange Commission Rule 144A and to non-US persons under SEC Regulation S. The Notes are being sold at 99.825% of their principal amount to yield 5.155% per annum. The transaction is expected to close on March 30, 2004.

iStar Financial expects to use the proceeds from the sale of the Notes to repay secured indebtedness.

The Notes have not been registered under the Securities Act of 1933, as amended, or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

This announcement is not an offer to purchase securities, a solicitation of an offer to purchase securities, or a solicitation of an offer to sell securities.

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iStar Financial is the leading publicly traded finance company focused on the commercial real estate industry. The Company provides custom-tailored financing to high-end private and corporate owners of real estate nationwide, including senior and junior mortgage debt, senior, mezzanine and subordinated corporate capital, and corporate net lease financing. The Company, which is taxed as a real estate investment trust, seeks to deliver a strong dividend and superior risk-adjusted returns on equity to shareholders by providing innovative and value-added financing solutions to its customers. Additional information on iStar Financial is available on the Company's website at www.istarfinancial.com.

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