

ISTAR FINANCIAL INC  
Form 4  
July 10, 2006

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
SUGARMAN JAY

(Last) (First) (Middle)

1114 AVENUE OF THE AMERICAS, 27TH FLOOR

(Street)

NEW YORK, NY 10036

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
ISTAR FINANCIAL INC [SFI]

3. Date of Earliest Transaction (Month/Day/Year)  
07/10/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Chairman and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**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)
Common stock, \$.001 par value	07/10/2006		S	V (1) 33,000 D	\$ 38.8183 1,870,073	D	
Common stock, \$.001 par value	07/10/2006		Z	V (2) 32,609 A	\$ 0 1,902,682 (3)	D	
Common stock, \$.001 par value	07/10/2006		Z	V (2) 32,609 D	\$ 0 930,354 (3)	I	By family trusts

Edgar Filing: ISTAR FINANCIAL INC - Form 4

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**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 control number.**

SEC 1474  
(9-02)

**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 Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SUGARMAN JAY 1114 AVENUE OF THE AMERICAS, 27TH FLOOR NEW YORK, NY 10036	X		Chairman and CEO	

## Signatures

s/ Jay Sugarman 07/10/2006

\_\_Signature of Reporting Person Date

## Explanation of Responses:

- \* 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).
- (1) On July 10, 2006, the reporting person sold 33,000 shares of common stock of iStar Financial Inc. pursuant to a Rule 10b5-1 sales plan initially adopted by the reporting person on August 24, 2005.  
Also on July 10, 2006, 32,609 shares of iStar common stock held by a family trust established for the benefit of the reporting person's children (and indirectly beneficially owned by the reporting person) were transferred to the reporting person and held by him directly.
- (2) This transaction is exempt from reporting under Section 16(b) of the Securities Exchange Act of 1934 and is being voluntarily reported herein.
- (3) Following the completion of these transactions, the reporting person is the beneficial owner of a total of 2,833,036 shares of common stock of iStar Financial Inc., of which 1,902,682 shares are owned directly and 930,354 shares are owned indirectly through three family trusts. In addition, the reporting person owns 41,073 restricted stock units, representing the right to receive an equivalent number of

## Edgar Filing: ISTAR FINANCIAL INC - Form 4

shares of iStar common stock if and when the units have vested.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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