AUGUST GLENN R
Form 4
May 27, 2010

FORM 4

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

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

OMB APPROVAL

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
AUGUST GLENN R

(Last) (First) (Middle)

1114 AVENUE OF THE AMERICAS, 27TH FLR

(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)
05/26/2010

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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)
			Code	V	Amount	(A) or (D)	Price			

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

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

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8

| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) | Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | | | | | | | (
| | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Common Stock Equivalents | $ 0 | 05/26/2010 | A | | 10,963 (1) | | (2) | (2) | Common Stock | 10,963 |

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
AUGUST GLENN R 1114 AVENUE OF THE AMERICAS, 27TH FLR NEW YORK, NY 10036	X			

Signatures

S/ GLENN R AUGUST	05/26/2010
**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) The Reporting Person has been awarded 10,963 Common Stock Equivalents ("CSEs") under the iStar Financial Inc. Non-Employee Directors' Deferral Plan ("Plan"). These CSEs will vest on the date of the 2011 annual meeting of shareholders, subject to the provisions of the Plan. Following this award, the Reporting Person holds a total of 42,796 CSEs, 32,013 of which are currently vested.

(2) Under the Plan, on the relevant distribution date, vested CSEs will be settled by the transfer of shares of iStar common stock to the participant, unless the participant elects to receive some or all of a distribution of his or her CSEs in cash, based upon the fair market value of iStar common stock on the date of the distribution. The "regular distribution date" for distributions to participants is the earlier of: (1) January 1 on or next following the earlier of (i) the date the participant ceases to be a non-employee director; and (ii) the date of the participant's death; and (2) a change of control (as defined in the Plan). A participant, under certain limited circumstances, is permitted to elect to receive distributions at times other than the regular distribution date.

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