ISTAR FINANCIAL INC Form FWP May 16, 2008

Filed Pursuant to Rule 433

Registration No. 333-142539

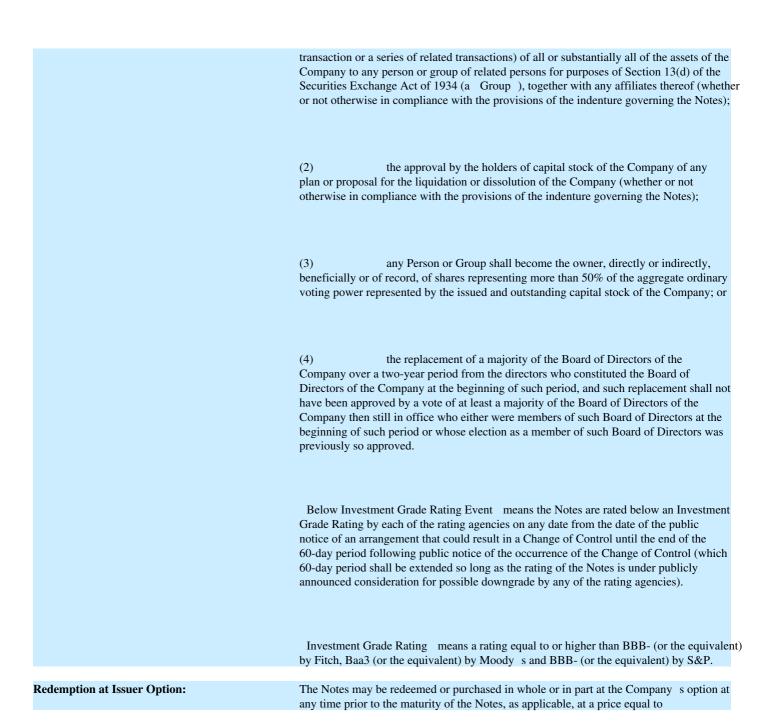
May 16, 2008

iStar Financial Inc.

750,000,000 8.625% Senior Notes due June 1, 2013

Issuer:	iStar Financial Inc.	
Ranking:	Senior Notes	
Ratings (Moody s/S&P/Fitch):	Baa2/BBB/BBB (Neg Outlook/ Neg Outlook/ Neg Outlook)	
Trade Date:	May 16, 2008	
Settlement Date (T+3):	May 21, 2008	
Maturity Date:	June 1, 2013	
Principal Amount:	\$750,000,000	
Benchmark Treasury:	UST 3.125% due April 2013	
Benchmark Treasury Yield:	3.102%	
Spread to Benchmark Treasury:	+564.8 bps	
Yield to Maturity:	8.750%	
Coupon:	8.625%	
Public Offering Price:	99.495%	
Underwriting Discount:	0.600%	
Company Purchase Price:	98.895%	
Net Proceeds to Company:	\$741,712,500	
Interest Payment Dates:	Semi-annually on the 1 st of each June and December	
First Coupon Payment Date:	December 1, 2008	
Day Count:	30/360	
Day Count.	JU/JUU	

Repurchase on Change of Control:	If a Change of Control Triggering Event occurs, the Company must give holders of the Notes the opportunity to sell to the Company their Notes at 101% of their face amount, plus accrued interest.	
	Change of Control Triggering Event means the occurrence of both a Change of Control and a Below Investment Grade Rating Event.	
	Change of Control means the occurrence of one or more of the following events:	
	(1) any sale, lease, exchange or other transfer (in one	



	100% of the principal amount thereof plus the greater of: (1) 1.0% of the principal amount of the Notes; and (2) the excess of (a) the present value at such redemption date of (i) the principal amount of the Notes on the redemption date plus (ii) all required remaining scheduled interest payments due on the Notes through the maturity date of the Notes computed using a discount rate equal to the Treasury Rate plus 50 basis points; over (b) the principal amount of the Notes on such redemption date.	
Minimum Denomination / Multiples:	\$2,000 / \$1,000	
Joint Bookrunning Managers:	Banc of America Securities LLC	\$250,000,000
	Citigroup Global Markets Inc.	\$250,000,000
	J.P. Morgan Securities Inc.	\$250,000,000

Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering.

You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling Banc of America Securities LLC toll-free at 1-800-294-1322, Citigroup Global Markets Inc. toll free at 1-877-858-5407 or J.P. Morgan Securities Inc. at 1-212-834-4533.