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| Form 4 | | | | | | | | | | | | |
|---|-----------------|-------------|---|--|--|----------------|------------------------------|--|---|-------------------------------|--|--|
| February 10, FORM | _ | | | | | | | | OMB A | PPROVAL | | |
| | UNITE | D STATES | | ITIES Al hington, | | | NGE (| COMMISSION | OMB Number: | 3235-0287 | | |
| Section 16. Form 4 or | | | F CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES | | | | | | January 3Expires:200Estimated averageburden hours perresponse0. | | | |
| Form 5 obligation may cont <i>See</i> Instru 1(b). | inue. Section 1 | 7(a) of the | | ility Hold | ing Com | pany | Act o | ge Act of 1934, f 1935 or Sectio 40 | 'n | | | |
| (Print or Type F | Responses) | | | | | | | | | | | |
| 1. Name and Address of Reporting Person <u>*</u> Lal Christopher M | | | 2. Issuer Name and Ticker or Trading Symbol Sunstone Hotel Investors, Inc. [SHO] | | | | - | 5. Relationship of Reporting Person(s) to Issuer | | | | |
| (Last) | (First) | (Middle) | 3. Date of Earliest Transaction (Check | | | | | ck all applicabl | all applicable) | | | |
| 903 CALLE 100 | AMANECER | R, SUITE | (Month/Da 02/06/20 | • | | | | Director X Officer (give below) SVP - | | 6 Owner er (specify sel | | |
| | (Street) | | | | nendment, Date Original onth/Day/Year) | | | | 6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting | | | |
| SAN CLEM | IENTE, CA 92 | 2673 | | | | | | Person | More than One R | eporting | | |
| (City) | (State) | (Zip) | Table | e I - Non-Do | erivative S | Securi | ties Ac | quired, Disposed o | f, or Beneficia | lly Owned | | |
| 1.Title of Security (Instr. 3) | any | | emed on Date, if /Day/Year) | 3. Transactic Code (Instr. 8) | TransactionAcquired (A) or Code Disposed of (D) | | Securities Energically Owned | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) | | | |
| Common | 02/06/2009 | | | Code V F | Amount 2,123 | or (D) D | Price (<u>1)</u> | (Instr. 3 and 4) 58,718 | D | | | |
| Stock | 02/00/2009 | | | Г | 2,123 | D | <u>(1)</u> | 30,710 | D | | | |
| Common Stock | 02/07/2009 | | | F | 852 | D | <u>(2)</u> | 57,866 | D | | | |

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.

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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 (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. Transact Code (Instr. 8) | 5. of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | ; | Date | Unde Secur | unt of rlying | 8. Price of Derivative Security (Instr. 5) | 9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr |
|---|---|---|---|--------------------------------------|---|---------------------|--------------------|---------------|--|---|---|
| | | | | 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 | | | | |
| Lal Christopher M 903 CALLE AMANECER SUITE 100 SAN CLEMENTE, CA 92673 | | | SVP - General Counsel | | | | | |
| Signatures | | | | | | | | |
| /s/ Christopher | | | | | | | | |

M. Lal 02/10/2009 <u>**</u>Signature of Date Reporting Person

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).
- On February 6, 2009, 5,939 restricted shares of common stock (awarded to the Reporting Person on February 6, 2008) vested, and 2,123
 (1) shares of common stock were withheld to satisfy tax withholding obligations. The closing price on February 6, 2009 of common stock of Sunstone Hotel Investors, Inc. on the New York Stock Exchange was \$4.45 per share.

On February 7, 2009, 2,384 restricted shares of common stock (awarded to the Reporting Person on May 2, 2007) vested, and 852 shares
(2) of common stock were withheld to satisfy tax withholding obligations. The closing price on February 6, 2009 (as February 7, 2009 fell on a weekend) of common stock of Sunstone Hotel Investors, Inc. on the New York Stock Exchange was \$4.45 per share.

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.