Buser Arthur L Form 4 January 22, 2009

FORM 4

OMB APPROVAL

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

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

January 31, Expires: 2005

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

Estimated average burden hours per response... 0.5

Form 4 or Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * Buser Arthur L			2. Issuer Name and Ticker or Trading Symbol						5. Relationship of Reporting Person(s) to Issuer				
			Sunstone Hotel Investors, Inc. [SHO]						(Check all applicable)				
(Last) (First) (Middle)			3. Date of Earliest Transaction										
	(Month/Day/Year)						Director 10% Owner Other (specify below) below)						
903 CALLE	01/22/2009												
100						Chief Executive Officer							
	4. If Amendment, Date Original						6. Individual or Joint/Group Filing(Check						
			Filed(Mon	th/Day/Y	Year)				Applicable Line)				
								X Form filed by One Reporting Person					
SAN CLEMENTE, CA 92673								Form filed by More than One Reporting Person					
(City)	(Zip)	Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owner											
1.Title of	2. Transaction Date	2A. Deer	med	3.		4. Securi	ties Acc	quired	5. Amount of	6. Ownership	7. Nature of		
Security	(Month/Day/Year)	Executio	n Date, if		ctio	n(A) or D	•		Securities	Form: Direct			
(Instr. 3)	and the contract of the contra			Code (Instr. 3, 4 and 5)					Beneficially	(D) or	Beneficial		
		(Month/I	Day/Year) (Instr. 8)				Owned Following	Indirect (I) (Instr. 4)	Ownership (Instr. 4)				
									Reported	(IIISU: 4)	(111801.4)		
							(A)		Transaction(s)				
				G 1	X 7		or	ъ.	(Instr. 3 and 4)				
C				Code	V	Amoun	t (D)	Price	;				
Common Stock	01/22/2009			A		365,85	4 A	(1)	632,879	D			
Common Stock									33,920	I	Family Trust		

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	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transacti	5. orNumber	6. Date Exerc Expiration D		7. Title Amount		8. Price of Derivative	9. Nu Deriv
Security (Instr. 3)		or Exercise Price of Derivative Security	(say, real)	any (Month/Day/Year)	Code (Instr. 8)	of	(Month/Day/Year) e		Underlying Securities (Instr. 3 and 4)	ying ies	Security (Instr. 5)	Secur Bene Owne Follo Repo Trans (Instr
					Code V	(A) (D)	Date Exercisable	Expiration Date	Title N	Amount or Number of Shares		

Reporting Owners

Relationships Reporting Owner Name / Address

> Officer Other Director 10% Owner

Buser Arthur L 903 CALLE AMANECER SUITE 100 SAN CLEMENTE, CA 92673

Chief Executive Officer

Signatures

/s/ Arthur L. 01/22/2009 Buser, Jr.

**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 January 22, 2009, upon appointment of the Reporting Person to Chief Executive Officer, Sunstone Hotel Investors, Inc. granted (1) 365,854 restricted shares of common stock to the Reporting Person pursuant to its 2004 Long-Term Incentive Plan. Such shares are subject to the satisfaction of vesting requirements over a five-year period.

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.

Reporting Owners 2