

Sunstone Hotel Investors, Inc.  
 Form 4  
 February 18, 2015

**FORM 4**

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

OMB APPROVAL

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**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 \*  
 Arabia John V

(Last) (First) (Middle)  
 120 VANTIS, SUITE 350  
 (Street)

ALISO VIEJO, CA 92656

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
 Sunstone Hotel Investors, Inc. [SHO]

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 01/30/2015

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)  
 President & 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)
			Code	V	Amount	(A) or (D)	Price
Common Stock	01/30/2015		J		2,814.67	A	(1) 489,113.485
Common Stock	02/13/2015		A		50,177	A	(2) 539,290.485
Common Stock	02/15/2015		F		18,565	D	(3) 520,725.485
Common Stock	02/16/2015		F		8,641	D	(4) 512,084.485
Common Stock	02/17/2015		F		20,244	D	(5) 491,840.485

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

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(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
Arabia John V 120 VANTIS SUITE 350 ALISO VIEJO, CA 92656	X		President & CEO	

## Signatures

/s/ John V.  
Arabia  
02/18/2015

\*\*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) Reflects shares of common stock received in connection with the dividend paid by Sunstone Hotel Investors, Inc. on January 30, 2015 to stockholders of record as of December 31, 2014.
  - (2) On February 13, 2015, Sunstone Hotel Investors, Inc. (the "Company") granted 50,177 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 three-year period.
  - (3) On February 15, 2015, 49,466 restricted shares of common stock (awarded to the Reporting Person on February 15, 2013) vested, and 18,565 shares of common stock were withheld to satisfy tax withholding obligations. The closing price on February 13, 2015 (as February

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15, 2015 fell on a weekend) of common stock of Sunstone Hotel Investors, Inc. on the New York Stock Exchange was \$17.49 per share.

On February 16, 2015, 17,025 restricted shares of common stock (awarded to the Reporting Person on February 16, 2012) vested, and

- (4) 8,641 shares of common stock were withheld to satisfy tax withholding obligations. The closing price on February 13, 2015 (as February 16, 2015 fell on a weekend) of common stock of Sunstone Hotel Investors, Inc. on the New York Stock Exchange was \$17.49 per share.

On February 17, 2015, 38,797 restricted shares of common stock (awarded to the Reporting Person on February 17, 2011) vested, and

- (5) 20,244 shares of common stock were withheld to satisfy tax withholding obligations. The closing price on February 17, 2015 of common stock of Sunstone Hotel Investors, Inc. on the New York Stock Exchange was \$17.41 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.

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