

Sunstone Hotel Investors, Inc.
 Form 4/A
 October 27, 2009

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 *
Cruise Kenneth Edward

(Last) (First) (Middle)
 903 CALLE AMANECER, SUITE 100
 (Street)

SAN CLEMENTE, CA 92673

(City) (State) (Zip)

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

3. Date of Earliest Transaction
 (Month/Day/Year)
09/10/2009

4. If Amendment, Date Original Filed(Month/Day/Year)
09/11/2009

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Chief Financial Officer

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---------------------------------------|
| | | | Code | V | Amount | (D) | Price |
| Common Stock | 09/10/2009 | | S | | 19,439 | D | \$ 6.79 |
| | | | | | | | 11,915 ⁽¹⁾ |
| Common Stock | 09/11/2009 | | S | | 6,700 | D | \$ 6.89 |
| | | | | | | | 5,215 ⁽²⁾ ⁽⁴⁾ |
| Common Stock | 09/11/2009 | | P | | 6,700 | A | \$ 6.93 |
| | | | | | | | 150,965 ⁽³⁾ ⁽⁴⁾ |

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

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number.

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. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | 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 |
| Cruse Kenneth Edward 903 CALLE AMANECER SUITE 100 SAN CLEMENTE, CA 92673 | | | Chief Financial Officer | |

Signatures

/s/ Kenneth E. Cruse 10/27/2009

**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 number of shares previously reported on September 11, 2009 as owned indirectly by Mr. Cruse was 72,143 and should have been reported as 11,915.
- (2) The number of shares previously reported on September 11, 2009 as owned indirectly by Mr. Cruse was 65,443 and should have been reported as 5,215.
- (3) The number of shares previously reported on September 11, 2009 as owned directly by Mr. Cruse was 90,737 and should have been reported as 150,965.
- (4) Represents the disposition of 6,700 shares of Common Stock owned indirectly by the Reporting Person through his family trust and the corresponding acquisition of direct ownership of the same number of shares of Common Stock by the Reporting Person through his Individual Retirement Account.

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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