

Sunstone Hotel Investors, Inc.
 Form 4
 February 22, 2017

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 *
 Giglia Bryan Albert

(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)
 02/17/2017

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)
 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	(A) or (D)	Price
Common Stock	02/17/2017		A		70,233	A	(1) 269,782.1729
Common Stock	02/18/2017		F		14,303	D	(2) 255,479.1729
Common Stock	02/19/2017		F		7,220	D	(3) 248,259.1729

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)

Table with 9 columns: 1. Title of Derivative Security, 2. Conversion or Exercise Price of Derivative Security, 3. Transaction Date, 3A. Deemed Execution Date, 4. Transaction Code, 5. Number of Derivative Securities, 6. Date Exercisable and Expiration Date, 7. Title and Amount of Underlying Securities, 8. Price of Derivative Security, 9. Number of Derivative Securities.

Reporting Owners

Table with 2 columns: Reporting Owner Name / Address, Relationships (Director, 10% Owner, Officer, Other). Entry for Giglia Bryan Albert, Chief Financial Officer.

Signatures

/s/ Bryan A. Giglia, 02/22/2017
**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) 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.
(2) On February 18, 2017, 25,889 restricted shares of common stock of Sunstone Hotel Investors, Inc. (awarded to the Reporting Person on February 18, 2016) vested, and 14,303 shares of common stock of Sunstone Hotel Investors, Inc. were withheld to satisfy tax withholding obligations. The closing price on February 17, 2017 (as February 18, 2017 fell on a weekend) of common stock of Sunstone Hotel Investors, Inc. on the New York Stock Exchange was \$15.13 per share.
(3) On February 19, 2017, 13,068 restricted shares of common stock of Sunstone Hotel Investors, Inc. (awarded to the Reporting Person on February 19, 2014) vested, and 7,220 shares of common stock of Sunstone Hotel Investors, Inc. were withheld to satisfy tax withholding obligations. The closing price on February 17, 2017 (as February 19, 2017 fell on a weekend) of common stock of Sunstone Hotel Investors, Inc. on the New York Stock Exchange was \$15.13 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.