

Shepardson Michael T
Form 4
February 27, 2007

FORM 4

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

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Shepardson Michael T

2. Issuer Name **and** Ticker or Trading
Symbol
TRUSTREET PROPERTIES INC
[TSY]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
450 SOUTH ORANGE AVENUE
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
02/26/2007

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)
Executive Vice President

ORLANDO, FL 32801

4. If Amendment, Date Original
Filed(Month/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
Person

(City) (State) (Zip)

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 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	02/26/2007		D		81,679	D	\$ 17.05 (1)

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

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information contained in this form are not
required to respond unless the form
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SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

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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. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
7.5% Series C Redeemable Convertible Preferred Stock	\$ 19.5	02/26/2007		D	3,739 (2)	(3)	(4)	Common Stock	4,793	

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Shepardson Michael T 450 SOUTH ORANGE AVENUE ORLANDO, FL 32801	Executive Vice President

Signatures

/s/ Michael T.
Shepardson

02/26/2007

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) These shares were disposed of pursuant to a merger agreement among issuer, CNL APF Partners, LP, General Electric Capital Corporation, FF-TSY Holding Company, Inc., TSY-FF Acquisition Company, Inc. ("Merger Sub") and Franchise-TSY Acquisition, LLC (the "Merger Agreement"). In connection with the closing of the merger, each common share was cancelled in exchange for the right to receive \$17.05 in cash.

(2) The reported disposition reflects shares disposed of pursuant to the Merger Agreement each in exchange for one share of 7.5% Series C Redeemable Convertible Preferred Stock of Merger Sub (which has a liquidation value of \$25.00 per share) on the effective date of the merger.

(3) Exercisable immediately.

(4) None.

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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