

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

**FORM 8-K**

**CURRENT REPORT**  
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

**Date of Report (Date of earliest event reported): January 25, 2016**

**S T R A T U S** ®

**Stratus Properties Inc.**

(Exact name of registrant as specified in its charter)

<b>Delaware</b> (State or other jurisdiction of incorporation)	<b>000-19989</b> (Commission File Number)	<b>72-1211572</b> (I.R.S. Employer Identification Number)
<b>212 Lavaca St., Suite 300</b> <b>Austin, Texas</b> (Address of principal executive offices)		<b>78701</b> (Zip Code)

Registrant's telephone number, including area code: (512) 478-5788

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(d) In accordance with the policies and principles in its charter, the Nominating and Corporate Governance Committee of the Board of Directors (Board) of Stratus Properties Inc. (Stratus) is responsible for, among other things, monitoring the composition of the Board and its committees and making recommendations to the Board regarding the size and composition of each committee of the Board, including the identification of individuals qualified to serve as members of each committee.

As previously reported, on December 10, 2015, upon the recommendation of its Nominating and Corporate Governance Committee, the Board expanded the size of the Board from four to six members and appointed each of James E. Joseph and John G. Wenker to serve as a director of Stratus. On January 25, 2016, upon the recommendation of its Nominating and Corporate Governance Committee, the Board appointed (a) Mr. Joseph to serve as a member of each of the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee of the Board and (b) Mr. Wenker to serve as a member of the Audit Committee of the Board.

In connection with the foregoing recommendations and appointments, each of the Board and its Nominating and Corporate Governance Committee determined (a) that each of Messrs. Joseph and Wenker meet the additional independence requirements for members of an audit committee under the listing standards of The Nasdaq Stock Market, LLC and the Securities Exchange Act of 1934 (the Exchange Act), (b) that Mr. Joseph qualifies as an "audit committee financial expert" under Item 407(d)(5) of Regulation S-K of the Exchange Act, (c) that Mr. Joseph qualifies as a "non-employee director" under Rule 16b-3 promulgated under the Exchange Act and (d) that Mr. Joseph qualifies as an "outside director" under Section 162(m) of the Internal Revenue Code of 1986, as amended.

Item 8.01. Other Events.

Stratus issued a press release dated January 28, 2016 acknowledging receipt of an unsolicited proposal from Capretta Properties Inc. to acquire a significant portion of Stratus' real estate properties. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated by reference into this Item 8.01.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The Exhibit included as part of this Current Report on Form 8-K is listed in the attached Exhibit Index.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Stratus Properties Inc.

By: /s/ Erin D. Pickens

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Erin D. Pickens  
Senior Vice President and  
Chief Financial Officer  
(authorized signatory and  
Principal Financial Officer)

Date: January 28, 2016

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**Stratus Properties Inc.**  
**Exhibit Index**

**Exhibit  
Number**

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[99.1](#)

Press Release dated January 28, 2016, titled "Stratus Properties Inc. Acknowledges Receipt of Unsolicited Proposal to Acquire a Significant Portion of Real Estate Properties."



Stratus Properties Inc.  
212 Lavaca St., Suite 300  
Austin, Texas 78701

## NEWS RELEASE

NASDAQ Symbol: "STRS"

**Financial and Media Contact:**

Sydney Isaacs

Abernathy MacGregor

713-343-0427 / SRI@abmac.com

### **Stratus Properties Inc. Acknowledges Receipt of Unsolicited Proposal to Acquire a Significant Portion of Real Estate Properties**

AUSTIN, TX, January 28, 2016 - Stratus Properties Inc. (NASDAQ: STRS) today acknowledged receipt of an unsolicited proposal from Capretta Properties Inc. to acquire a significant portion of Stratus' real estate properties for \$435 million in cash, with all indebtedness to be retained by Stratus. The proposal is subject to several contingencies, including Capretta's proposal that the closing be subject to completion of satisfactory due diligence, to be conducted only after entering into a definitive purchase agreement.

The Board of Directors of Stratus, in accordance with its fiduciary duties, and consistent with its commitment to maximize long-term stockholder value, is in the process of carefully reviewing and considering the proposal. The Board maintains its commitment to engaging in constructive dialogue with all stockholders. There can be no assurance that this process will result in any transaction in the future, and no decision has been made to enter into any transaction at this time.

Vinson & Elkins LLP and Jones Walker LLP are serving as legal counsel to Stratus.

#### **About Stratus Properties**

Stratus is a diversified real estate company engaged primarily in the acquisition, entitlement, development, management, operation and sale of commercial, hotel, entertainment, and multi- and single-family residential real estate properties, primarily located in the Austin area, but including projects in certain other select markets in Texas.

#### **Important Additional Information**

Stratus Properties Inc., its directors and certain of its executive officers may be deemed to be participants in the solicitation of proxies from Stratus stockholders in connection with the matters to be considered at Stratus' 2016 Annual Meeting. Stratus intends to file a proxy statement and white proxy card with the U.S. Securities and Exchange Commission (the "SEC") in connection with any such solicitation of proxies from Stratus stockholders. STRATUS STOCKHOLDERS ARE STRONGLY ENCOURAGED TO READ ANY SUCH PROXY STATEMENT AND ACCOMPANYING WHITE PROXY CARD WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION. Information regarding the ownership of Stratus' directors and executive officers in Stratus stock, restricted stock and options is included in their SEC filings on Forms 3, 4, and 5, which can be found through Stratus' website ([www.stratusproperties.com](http://www.stratusproperties.com)) in the section "Investor Relations" or through the SEC's website at [www.sec.gov](http://www.sec.gov). Information can also be found in Stratus' other SEC filings, including Stratus' definitive proxy statement for the 2015 Annual Meeting and its Annual Report on Form 10-K for the year ended December 31, 2014. More detailed and updated information regarding the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement and other materials to be filed with the SEC in connection with Stratus' 2016 Annual Meeting. Stockholders will be able to obtain any proxy statement, any amendments or supplements to the proxy statement and other documents filed by Stratus with the SEC for no charge at the SEC's website at [www.sec.gov](http://www.sec.gov). Copies will also be available at no charge at Stratus'

website at [www.stratusproperties.com](http://www.stratusproperties.com), by writing to Stratus Properties Inc. at 212 Lavaca Street, Suite 300, Austin, TX 78701, or by calling Stratus' proxy solicitor, Innisfree M&A Incorporated, toll-free at 888-750-5834.

### **Cautionary Statement regarding Forward-Looking Statements**

This press release contains forward-looking statements which are all statements other than statements of historical facts, such as statements regarding the implementation and potential results of Stratus' five-year plan, projections or expectations related to operational and financial performance or liquidity, and other plans and objectives of management for future operations and activities. The words "anticipates," "may," "can," "plans," "believes," "potential," "estimates," "expects," "projects," "intends," "likely," "will," "should," "to be" and any similar expressions and/or statements that are not historical facts are intended to identify those assertions as forward-looking statements.

Stratus cautions readers that forward-looking statements are not guarantees of future performance, and its actual results may differ materially from those anticipated, projected or assumed in the forward-looking statements. Important factors that can cause Stratus' actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to, Stratus' ability to refinance and service its debt and the availability of financing for development projects and other corporate purposes, Stratus' ability to sell properties at prices its board considers acceptable, a decrease in the demand for real estate in the Austin, Texas market, changes in economic and business conditions, reductions in discretionary spending by consumers and corporations, competition from other real estate developers, hotel operators and/or entertainment venue operators and promoters, business opportunities that may be presented to and/or pursued by Stratus, the failure of third parties to satisfy debt service obligations, the failure to complete agreements with strategic partners and/or appropriately manage relationships with strategic partners, the termination of sales contracts or letters of intent due to, among other factors, the failure of one or more closing conditions or market changes, the failure to attract customers for its developments or such customers' failure to satisfy their purchase commitments, increases in interest rates, declines in the market value of its assets, increases in operating costs, including real estate taxes and the cost of construction materials, changes in external perception of the W Austin Hotel, changes in consumer preferences, changes in laws, regulations or the regulatory environment affecting the development of real estate, opposition from special interest groups with respect to development projects, weather-related risks and other factors described in more detail under the heading "Risk Factors" in Stratus' Annual Report on Form 10-K for the year ended December 31, 2014, filed with the U.S. Securities and Exchange Commission (SEC) as updated by Stratus' subsequent filings with the SEC.

Investors are cautioned that many of the assumptions upon which Stratus' forward-looking statements are based are likely to change after the forward-looking statements are made. Further, Stratus may make changes to its business plans that could affect its results. Stratus cautions investors that it does not intend to update its forward-looking statements notwithstanding any changes in its assumptions, business plans, actual experience, or other changes, and Stratus undertakes no obligation to update any forward-looking statements, except as required by law.