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

SCHEDULE 13D

(Amendment No. 2)*
Under the Securities Exchange Act of 1934

STRATUS PROPERTIES INC.
(Name of Issuer)

Common Stock, \$0.01 par value
(Title of Class of Securities)

863167201
(CUSIP Number)

Carl E. Berg
10050 Bandley Drive
Cupertino, California 95014
(408) 725-0700

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

February 20, 2015
(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act, but shall be subject to all other provisions of the Act.

SCHEDULE 13D

CUSIP No. 863167201

1)	Name of Reporting Person Carl E. Berg	
2)	Check the Appropriate Box if a Member of a Group (See Instructions) (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3)	SEC Use Only	
4)	Source of Funds PF	
5)	Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e) <input type="checkbox"/> Not Applicable	
6)	Citizenship or Place of Organization United States of America	
Number of Shares Beneficially Owned by Each Reporting Person with:	7)	Sole Voting Power 1,405,000
	8)	Shared Voting Power 0
	9)	Sole Dispositive Power 1,405,000
	10)	Shared Dispositive Power 0
11)	Aggregate Amount Beneficially Owned by Each Reporting Person 1,405,000	
12)	Check if the Aggregate Amount in Row (11) excludes certain shares <input type="checkbox"/> (See Instructions) Not applicable	
13)	Percent of Class Represented by Amount in Row (11) 17.5%	
14)	Type of Reporting Person (See Instructions) IN	

This Amendment No. 2 to Schedule 13D amends and supplements the Schedule 13D filed with the Securities and Exchange Commission on January 11, 2012, as amended by Amendment No. 1 to Schedule 13D filed on January 12, 2012 (this "Schedule 13D), with respect to the shares of common stock, par value \$0.01 per share (the "Common Stock"), of Stratus Properties Inc., a Delaware corporation (the "Company" or "Issuer").

Item 1. Security and Issuer

Item 1 is amended by deleting the last sentence.

Item 2. Identity and Background

Item 2 is amended by replacing the sentence:

Mr. Berg is the chairman of the board and chief executive officer of Mission West Properties, Inc., a real estate investment trust whose principal executive offices are located at 10050 Bandy Drive, Cupertino, CA 95014.

with:

Mr. Berg is a managing member of Berg & Berg Enterprises, LLC whose principal business is private investing. The address of Berg & Berg Enterprises, LLC is 10050 Bandy Drive, Cupertino, CA 95014.

Item 4. Purpose of Transaction.

Item 4 is amended and supplemented to add the following information:

In furtherance of his discussions with management, the board of directors, and other shareholders of the Issuer, Mr. Berg sent a letter to the board of directors of the Issuer on or about February 20, 2015, a copy of which is attached hereto as Exhibit 1 and incorporated by reference herein.

Item 5. Interest in Securities of the Issuer.

Item 5(a) is amended by replacing the information contained therein with the following:

Mr. Berg is the beneficial owner of 1,405,000 shares of the Company's Common Stock, representing approximately 17.5% of the outstanding shares of the Company's Common Stock, based on 8,038,353 shares of Common Stock outstanding as reported in the Issuer's Quarterly Report on Form 10-Q filed on November 13, 2014.

Item 7. Material to be Filed as Exhibits.

Exhibit 1 Letter to Board of Directors

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 26, 2015

/s/ Carl E. Berg
Carl E. Berg

EXHIBIT 1

LETTER TO BOARD OF DIRECTORS

February 20, 2015

Beau Armstrong
Chairman of the Board
Board of Directors
Stratus Properties

Dear Beau,

This past summer it was brought to my attention that you and certain directors were reluctant to make shareholder-friendly improvements to the company's governance policies in order to "safeguard" other shareholders from my supposed designs on Stratus. I question the sincerity of this concern, but acknowledge that I am in receipt of your draft standstill agreement proposal, which contains far more restrictions on my ownership than is reasonable or was originally suggested to me. My response is below.

I own 1.4 million shares of Stratus accumulated in open market purchases between 1998 and 2001. Other than during that period, I have not bought or sold a share.

I have been the Company's largest shareholder for more than ten years. Currently my position represents 17.5% of the company.

It is my understanding that your second largest shareholder owns 1.3 million shares, or 16.6% of the Company and has been holding the shares over a similar time frame. To the best of my knowledge, these shares were all purchased in the open market.

The third largest holder is LHCM holdings at 625,000 shares, or 7.8% of the company. This entity is controlled by your close personal friend James Moffett, who was issued his shares in a private transaction with the company at discount to the market, which was distressed at the time. The pricing reflected roughly half of book value. This holder hasn't disclosed a single open-market purchase, yet has been designated a Board seat, when he already had an associate on the Board.

The ownership of the current Board members totals approximately 482,000 shares. It is my belief that the Board collectively has well under \$1 million of personal funds invested in Stratus shares, exclusive shares acquired through compensation arrangements. The small ownership represented on the Board is particularly appalling considering the two most tenured members, who have held the positions for over 15 and 20 years, respectively, own less than \$500,000 of Stratus shares – even when including their compensation-related shares.

The top three shareholders and the collective management/Board ownership represent highly sophisticated owners and total approximately 42% of the Company. Considering the distribution of this ownership, it stretches the imagination to fathom how any of these shareholders could take advantage of each other or smaller shareholders either by pursuing a takeover or thwarting one (as you have alleged in the past).

I have never made a tender offer for the company's shares.

I have never threatened to make a tender offer.

My criticism of the Company is based on performance. The share price has been essentially stagnate for 10 years and has sold at a significant discount to net asset value for years. The Company has cumulatively lost money for years. Absent tiny share buy-backs, there has been no capital returned to shareholders.

This performance has taken place during at least two national real estate booms and while Austin has ranked near the top among all cities in most economic categories for years.

The overhead structure of the company has resulted in a depletion of assets and the future promises more of the same.

I do not want to run the company. My only interest in commenting on its business affairs is to convince the Board to: (i) drastically reduce management overhead and (ii) develop and implement a plan that focuses resources and capital on the company's legacy land assets, which are underdeveloped and have been ignored for years.

In the above context, you will hopefully appreciate how insulting it is to be asked by this Board to subordinate my ownership in any form for the supposed protection of other shareholders, who are taking a beating at your hands.

As I have previous total the Board through Bill Lenehan. In return for removing the poison pill and de-staggering the board – now commonplace policies among well-run public companies – I will agree not to attempt to take control of the company. I further will agree that my ownership will at no time exceed 24.5%. Your proposal to me goes much further than the above, and seems to be a blatant attempt to inoculate management and the Board from basic accountability to its shareholders.

In its current form, the poison pill thwarts potential buyers of the company or its assets. A company with valuable assets that cannot make money or respectable returns over a period of many years probably should be sold.

The transparent purpose of the staggered board is to protect itself and management from its shareholders/investors.

Notwithstanding any terms stated herein, I retain all of my rights as a shareholder to participate in any actions that increase the value of the stock in the best interest of all shareholders. Increasing shareholder value should be the number one goal of the Board.

A very concerned shareholder.

Carl E. Berg

West Coast Venture Capital
10050 Bandle Drive
Cupertino, California
408 725 0700

Cc:

William Lenehan
James Leslie
Michael Madden
Charles Porter