

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, DC 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

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
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(Print or Type Responses)

1. Name and Address of Reporting Person*			2. Issuer Name and Ticker or Trading Symbol				6. Relationship of Reporting Person(s) to Issuer (Check all applicable)										
Baker John E. (Last) (First) (Middle)			Stratus Properties Inc. (STRS)				Director		10% Owner								
							<input checked="" type="checkbox"/> Officer (give title below)		Other (specify below)								
98 San Jacinto Boulevard, Suite 220 (Street)			3. I.R.S. Identification Number of Reporting Person, if an entity (Voluntary)				4. Statement for Month/Day/Year 12/17/02				7. Individual or Joint/Group Filing (Check Applicable Line)						
Austin Texas 78701 (City) (State) (Zip)							5. If Amendment, Date of Original (Month/Day/Year)				<input checked="" type="checkbox"/> Form filed by One Reporting Person		Form filed by More than One Reporting Person				
Table I <input type="checkbox"/> 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 Indirect Beneficial Ownership (Instr. 4)	
Common Stock		12/17/02				A		5,000 ⁽¹⁾		A		9,545 ⁽²⁾		D			

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

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

(Over)
SEC 1474 (9-02)

FORM 4 (continued)		Table II <input type="checkbox"/> 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 Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
Options ⁽³⁾ (right to buy)		\$9.25	12/17/02		A		15,000		12/17/03 ⁽⁴⁾ 12/17/12		Common Stock 15,000		None	15,000	D	

