

OMB APPROVAL	
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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 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* MADDEN MICHAEL D (Last) (First) (Middle) 1285 AVENUE OF THE AMERICAS 35TH FLOOR (Street) NEW YORK NY 10019 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol STRATUS PROPERTIES INC [STRS]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) 08/29/2006	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	08/29/2006		M		2,040	A	\$5.5	2,040	D	
Common Stock	08/29/2006		S		1,000	D	\$26.5	1,040	D	
Common Stock	08/29/2006		S		1,000	D	\$26.6	40	D	
Common Stock	08/29/2006		S		40	D	\$27	0	D	
Common Stock	08/31/2006		M		1,960	A	\$5.5	1,960	D	
Common Stock	08/31/2006		S		960	D	\$27	1,000	D	

Table II - 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 Securities Underlying Derivative Security (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)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Option (right to buy)	\$5.5	08/29/2006		M			2,040	09/01/1997 ⁽¹⁾	09/01/2006	Common Stock	2,040	\$0	1,960	D	
Option (right to buy)	\$5.5	08/31/2006		M			1,960	09/01/1997 ⁽²⁾	09/01/2006	Common Stock	1,960	\$0	0	D	

Explanation of Responses:

- 1. 25% exercisable on the date indicated and 25% exercisable on each of the next three anniversaries thereof.
- 2. 25% exercisable on the date indicated and 25% exercisable on each of the next three anniversaries thereof.

Kelly C. Simoneaux on behalf of Michael D. Madden
pursuant to a power of attorney
08/31/2006

** Signature of Reporting Person Date

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).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.