

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): August 12, 2021**

**S T R A T U S** ®

**Stratus Properties Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or Other  
Jurisdiction of  
Incorporation)

**001-37716**  
(Commission File  
Number)

**72-1211572**  
(I.R.S. Employer  
Identification  
Number)

**212 Lavaca St., Suite 300**  
**Austin Texas**

(Address of Principal Executive Offices)

**78701**

(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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	STRS	The NASDAQ Stock Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement.

On August 12, 2021, Stratus Properties Inc. (Stratus) and Computershare Inc., a Delaware corporation, as rights agent, entered into Amendment No. 2 (Amendment No. 2) to the Stockholder Rights Agreement, dated as of September 22, 2020, and amended March 12, 2021 (as amended, the Rights Agreement). Pursuant to Amendment No. 2, the Final Expiration Time (as defined in the Rights Agreement) was advanced from the Close of Business on September 22, 2023, to the Close of Business on August 12, 2021. As a result of Amendment No. 2, effective as of the Close of Business on August 12, 2021, the Rights (as defined in the Rights Agreement) expired and are no longer outstanding. In addition, the Rights Agreement has terminated. Capitalized terms used but not defined herein have the meaning given in the Rights Agreement.

In connection with its authorization and approval of Amendment No. 2, Stratus' Board of Directors (Board) considered, among other things, that Stratus' stockholders did not ratify, on an advisory basis, the Rights Agreement at Stratus' annual meeting of stockholders.

The foregoing description does not purport to be complete and is qualified in its entirety by reference to the full text of the Rights Agreement and Amendment to Stockholder Rights Agreement, copies of which are attached hereto as Exhibit 4.1 and Exhibit 4.2, respectively, and Amendment No. 2, a copy of which is attached hereto as Exhibit 4.3 and is incorporated herein by reference.

Item 1.02. Termination of a Material Definitive Agreement.

The information set forth under Item 1.01 of this Current Report on Form 8-K is incorporated into this Item 1.02 by reference. The Rights Agreement is more fully described in [Item 3.03 of Stratus' Current Report on Form 8-K filed with the Securities and Exchange Commission on September 22, 2020](#), and the Amendment to Stockholder Rights Agreement is more fully described in [Item 1.01 of Stratus' Current Report on Form 8-K filed with the Securities and Exchange Commission on March 15, 2021](#), which descriptions are incorporated into this Item 1.02 by reference.

Item 3.03. Material Modification to Rights of Security Holders.

The information set forth under Items 1.01 and 1.02 of this Current Report on Form 8-K is incorporated into this Item 3.03 by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(d) On August 12, 2021, Stratus' Board, upon the recommendation of the Nominating and Corporate Governance Committee of the Board, approved an increase in the size of the Board from seven directors to eight directors and appointed Laurie L. Dotter to serve as a Class I director of the Board, effective immediately. Ms. Dotter was also appointed as a member of the Audit Committee and the Compensation Committee of the Board. As a Class I director, Ms. Dotter will serve until Stratus' 2023 annual meeting of stockholders and until her successor is duly elected and qualified.

The Board determined that Ms. Dotter is independent pursuant to the director independence standards established under the NASDAQ Stock Market listing rules and Stratus' Corporate Governance Guidelines, and that she meets the additional requirements for service on Stratus' Audit and Compensation Committee. The Board now consists of eight directors, seven of whom are independent. There is no arrangement or understanding between Ms. Dotter and any other person pursuant to which Ms. Dotter was selected as a director. There are no transactions involving Stratus and Ms. Dotter that Stratus would be required to report under Item 404(a) of Regulation S-K.

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Ms. Dotter will receive compensation for her Board and committee service in accordance with Stratus' standard compensation arrangements for non-employee directors, which are described in Stratus' definitive proxy statement on Schedule 14A filed with the U.S. Securities and Exchange Commission on April 12, 2021 under the heading "Director Compensation." With respect to the equity-based component of Stratus' non-employee director compensation arrangements, on August 12, 2021, Stratus approved a grant of 100 restricted stock units to Ms. Dotter. The restricted stock units will vest ratably over four years beginning on September 1, 2021.

Stratus' current Class III directors, with terms expiring at the 2022 annual meeting of stockholders and until their successors are elected and qualified, are William H. Armstrong III, Kate B. Henriksen and Charles W. Porter. Stratus' current Class I directors, with terms expiring at the 2023 annual meeting of stockholders and until their successors are elected and qualified, are Laurie L. Dotter, James E. Joseph and Michael D. Madden. Stratus' current Class II directors, with terms expiring at the 2024 annual meeting of stockholders and until their successors are elected and qualified, are James C. Leslie and Neville L. Rhone, Jr.

#### Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

In connection with the adoption of the Rights Agreement, on September 22, 2020, Stratus previously filed a certificate of designation with the Delaware Secretary of State setting forth the rights, preferences and privileges of Series D Participating Cumulative Preferred Stock, par value \$0.01 per share (the Series D Participating Cumulative Preferred Stock) issuable upon exercise of the Rights.

Following the expiration of the Rights and the termination of the Rights Agreement, on August 12, 2021, Stratus filed a certificate of elimination (the Certificate of Elimination) with the Delaware Secretary of State eliminating the Series D Participating Cumulative Preferred Stock and returning them to authorized but unissued shares of Stratus' preferred stock, without designation. The Certificate of Elimination is attached hereto as Exhibit 3.1 and is incorporated herein by reference.

#### Item 8.01. Other Events.

Stratus issued a press release dated August 12, 2021, announcing the appointment of Laurie L. Dotter to the Board of Directors. 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.

<u>Exhibit Number</u>	<u>Exhibit Title</u>
<a href="#">3.1</a>	Certificate of Elimination of the Series D Participating Cumulative Preferred Stock of the Company, dated August 12, 2021.
<a href="#">4.1</a>	Stockholder Rights Agreement, dated as of September 22, 2020, by and between Stratus Properties Inc. and Computershare Inc., as Rights agent (which includes the Form of Rights Certificate as Exhibit C thereto) (incorporated herein by reference to Exhibit 4.1 to Stratus' Current Report on Form 8-K filed on September 22, 2020).
<a href="#">4.2</a>	Amendment to Stockholder Rights Agreement, dated as of March 12, 2021, by and between Stratus Properties Inc. and Computershare Inc., as Rights Agent (incorporated herein by reference to Exhibit 4.2 to Stratus' Current Report on Form 8-K filed on March 15, 2021).
<a href="#">4.3</a>	Amendment No. 2 to Stockholder Rights Agreement, dated as of August 12, 2021, by and between Stratus Properties Inc. and Computershare Inc., as Rights Agent.
<a href="#">99.1</a>	Press release dated August 12, 2021, titled "Stratus Properties Inc. Announces Appointment of Laurie L. Dotter to its Board of Directors."
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

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

Date: August 13, 2021

**CERTIFICATE OF ELIMINATION  
OF  
SERIES D PARTICIPATING CUMULATIVE PREFERRED STOCK  
OF  
STRATUS PROPERTIES INC.**

(Pursuant to Section 151(g)  
of the General Corporation Law of the State of Delaware)

Stratus Properties Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), hereby certifies as follows:

FIRST: that the Certificate of Designation of Series D Participating Cumulative Preferred Stock of the Corporation establishing 150,000 shares of the Series D Participating Cumulative Preferred Stock of the Corporation was originally filed in the office of the Secretary of State of the State of Delaware on September 22, 2020 (the "Certificate of Designation").

SECOND: that no shares of said Series D Participating Cumulative Preferred Stock of the Corporation are outstanding and no shares thereof will be issued subject to said Certificate of Designation.

THIRD: that at a meeting of the Board of Directors of the Corporation (the "Board") on August 12, 2021, the Board duly adopted the following resolution approving, authorizing and directing the elimination of the Series D Participating Cumulative Preferred Stock of the Corporation:

**RESOLVED**, that the officers of the corporation be and hereby severally are authorized, empowered and directed, in the name and on behalf of the corporation, to execute, acknowledge and file, pursuant to Section 151(g) of the General Corporation Law of the State of Delaware, a certificate of elimination setting forth that none of the existing Series D Participating Cumulative Preferred Stock are outstanding, that none will be issued pursuant to the certificate of designation of Series D Participating Cumulative Preferred Stock of the corporation governing such series, originally filed by the corporation with the Secretary of State of the State of Delaware on September 22, 2020, and that the shares that were designated as Series D Participating Cumulative Preferred Stock are returned to the status of authorized but unissued shares of the preferred stock of the corporation, without designation, and thereby eliminating from the corporation's Amended and Restated Certificate of Incorporation, as amended, all matters set forth in such certificate of designation with respect to such series, in such form as the officer executing the same shall determine to be necessary, advisable or appropriate, such determination to be conclusively established by the execution thereof;

FOURTH: that in accordance with the provisions of Section 151(g) of the General Corporation Law of the State of Delaware, the certificate of incorporation of the Corporation is hereby amended to eliminate all reference to the Series D Participating Cumulative Preferred Stock of the Corporation.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Elimination to be executed by its duly authorized officer on this 12<sup>th</sup> day of August 2021.

STRATUS PROPERTIES INC.

By: /s/ Erin D. Pickens

Name: Erin D. Pickens

Title: Senior Vice President

and

Chief Financial Officer

(authorized signatory and

Principal Financial Officer)

[Signature Page to Certificate of Elimination]

## AMENDMENT NO. 2 TO STOCKHOLDER RIGHTS AGREEMENT

This Amendment No. 2 to Stockholder Rights Agreement (this “**Amendment**”) is made effective as of the 12th day of August, 2021. This Amendment is an amendment to the Stockholder Rights Agreement, dated as of September 22, 2020, and amended on March 12, 2021 (as amended, the “**Rights Agreement**”), between Stratus Properties Inc., a Delaware corporation (the “**Company**”), and Computershare Inc., a Delaware corporation, as rights agent (the “**Rights Agent**”). The Company and the Rights Agent are collectively referred to as the “**Parties**.” Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Rights Agreement.

### RECITALS

**WHEREAS**, the Parties entered into the Rights Agreement on September 22, 2020, as amended on March 12, 2021;

**WHEREAS**, the Board of Directors has determined that it is in the best interests of the Company and its stockholders to amend the Rights Agreement as set forth in this Amendment;

**WHEREAS**, pursuant to Section 27 of the Rights Agreement, the Company may, and the Rights Agent shall, if directed by the Company, from time to time supplement or amend the Rights Agreement without the approval of any holders of Rights, in accordance with the terms of such Section 27; and

**WHEREAS**, the Company has delivered to the Rights Agent a certificate from an appropriate officer of the Company that states that this Amendment complies with the terms of the Rights Agreement and has directed the Rights Agent to amend the Rights Agreement as set forth herein.

**NOW THEREFORE**, in consideration of the foregoing and for other good and valuable consideration, the Parties hereby agree as follows:

#### **Section 1. Amendment to Rights Agreement.**

- (a) Section 7(a) of the Rights Agreement is hereby amended by deleting, in its entirety, clause (i) related to the definition of “Final Expiration Time” and replacing it with the following new clause (i): “(i) the Close of Business on August 12, 2021 (the “**Final Expiration Time**”),”.
- (b) All references to the date of “September 22, 2023” in Exhibit B (Summary of Rights to Purchase Series D Participating Cumulative Preferred Stock) and Exhibit C (Form of Rights Certificate) to the Rights Agreement shall hereby be changed to “August 12, 2021”.

**Section 2. Remaining Terms; Controlling Agreement.** All other provisions of the Rights Agreement that are not expressly amended hereby shall continue in full force and effect.

Notwithstanding the foregoing, the Rights Agent and the Company acknowledge and agree that upon the Expiration Time the Rights Agreement shall terminate and be of no further force and effect, except for the provisions which by their express terms shall survive such termination. From and after the execution and delivery of this Amendment, any references to the Rights Agreement in the Rights Agreement and other agreements or instruments shall be deemed to refer to the Rights Agreement as amended pursuant to this Amendment. In the event of any conflict between the terms of this Amendment and the Rights Agreement, this Amendment shall control.

**Section 3. Severability.** If any term, provision, covenant or restriction of this Amendment is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Amendment shall remain in full force and effect and shall in no way be affected, impaired or invalidated; *provided, however*, that, notwithstanding anything in this Amendment to the contrary, if any such term, provision, covenant or restriction is held by such court or authority to be invalid, void or unenforceable and the Board determines in its good faith judgment that severing the invalid language from this Amendment would adversely affect the purpose or effect of this Amendment, the right of redemption set forth in Section 23 of the Rights Agreement shall be reinstated and shall not expire until the Close of Business on the tenth day following the date of such determination by the Board.

**Section 4. Governing Law.** This Amendment shall be deemed to be a contract made under the laws of the State of Delaware and for all purposes shall be governed by and construed in accordance with the laws of such state applicable to contracts to be made and performed entirely within such state, *provided, however*, that all provisions regarding the rights, duties, liabilities and obligations of the Rights Agent shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State.

**Section 5. Descriptive Headings.** Descriptive headings of the sections of this Amendment are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

**Section 6. Counterparts.** This Amendment may be executed in one or more counterpart, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. Delivery of an executed signature page of this Amendment by facsimile or other customary means of electronic transmission (*e.g.*, “pdf”) shall be as effective as delivery of a manually executed counterpart hereof.

*[Remainder of Page Left Intentionally Blank]*



IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first set forth above.

**STRATUS PROPERTIES INC.**

By: /s/ Erin D. Pickens  
Name: Erin D. Pickens  
Title: Senior Vice President and Chief Financial Officer

**COMPUTERSHARE INC.**

By: /s/ Kathy Heagerty  
Name: Kathy Heagerty  
Title: Manager, Client Management

*[Signature Page to Amendment No. 2 to Rights Agreement]*

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

## NEWS RELEASE

NASDAQ Symbol: "STRS"  
**Financial and Media Contact:**  
William H. Armstrong III  
(512) 478-5788

### STRATUS PROPERTIES INC. ANNOUNCES APPOINTMENT OF LAURIE L. DOTTER TO ITS BOARD OF DIRECTORS

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AUSTIN, TX, August 12, 2021 - Stratus Properties Inc. (NASDAQ: STRS) ("Stratus" or the "Company") today announced the appointment of Laurie L. Dotter to its Board of Directors ("Board"). Ms. Dotter will serve as an independent Class I director, effective immediately.

**William H. Armstrong III, Chairman of the Board and Chief Executive Officer of Stratus, stated, "We are pleased to welcome Laurie L. Dotter to our Board. Ms. Dotter has more than 30 years of experience in the real estate investment industry, including as Founding Partner of a suite of real estate investment vehicles with a multi-billion dollar capitalization, as well as her public company board experience as Chair of the Audit Committee of Parkway Properties, Inc., a real estate investment trust. Ms. Dotter's appointment further demonstrates our Board's commitment to increasing Board diversity, and we look forward to benefiting from her perspective."**



*Laurie L. Dotter  
Appointed to Stratus Board*

Ms. Dotter's appointment fulfills Stratus' commitment to increase the size of the Board and to appoint Ms. Dotter as a new director after shareholders approved the related Board-recommended advisory shareholder proposal at the Company's 2021 annual meeting of shareholders. The terms of Stratus' Class I directors extend to the 2023 annual meeting of shareholders. Ms. Dotter will serve as a member of the Audit and the Compensation Committee of the Board. Following the appointment of Ms. Dotter, Stratus' Board comprises eight members, including seven independent directors.

Ms. Dotter stated, "I am very excited to join Stratus' Board and look forward to working with Stratus' management team and other directors. For years, I have engaged with real estate investors and am happy to provide guidance to Stratus about successful real estate investment and development strategies."

#### **About Laurie L. Dotter**

Laurie L. Dotter, age 60, serves as an investment advisory board member at Employee Retirement System of Texas, since 2019, and the Comptrollers Investment Advisory Board for Texas Treasury Safekeeping Trust Company, since 2009. Ms. Dotter is a member of the Board of Directors of Lifespace Communities, Inc., a not-for-profit organization that owns and operates senior living communities, and its predecessor since 2018. She serves on the governing board of Dottid, a SaaS technology company in the commercial real estate management sector. From 2010 to 2016, she was President of Transwestern Investment Group, and then President of Transwestern Corporate Properties and founding partner of Corporate Properties Trust I, II and III, large scale commercial real estate

investment vehicles with combined capitalization exceeding \$2 billion, from 2016 to 2017. She was a member of the Board of Directors of Parkway Properties, Inc. ("Parkway"), a national commercial real estate investment trust, from 2010 to 2016, the Chair of Parkway's Audit Committee and a member of its Compensation Committee. Ms. Dotter served as the Vice Chairman of the PREA Plan Sponsor Council at the Pension Real Estate Association, from 2008 until 2010. She also served as an executive investment officer at Hunt Realty Investments, from 1998 until 2010. Prior to joining Hunt, she served as director of Real Estate Investments at the Teacher Retirement System of Texas, from 1993 to 1998, and as a director of Financial Consulting Services at PricewaterhouseCoopers, from 1989 to 1993.

Ms. Dotter received her Bachelor of Business Administration, Accounting from Texas A&M University and holds a CPA license in the State of Texas.

### ***About Stratus Properties Inc.***

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

### ***Forward-Looking Statements***

This press release contains forward-looking statements in which Stratus discusses factors it believes may affect its future performance. Forward-looking statements are all statements other than statements of historical fact. The words "anticipates," "may," "can," "could," "plans," "believes," "potential," "possible," "estimates," "expects," "projects," "targets," "intends," "likely," "will," "should," "to be" and any similar expressions 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, expected, 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 continue to effectively develop and execute its strategies, the impact of the COVID-19 pandemic on its business 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, 2020, filed with the U.S. Securities and Exchange Commission.

Investors are cautioned that many of the assumptions upon which Stratus' forward-looking statements are based are likely to change after the date 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 undertakes no obligation to update any forward-looking statements, which speak only as of the date made, notwithstanding any changes in its assumptions, business plans, actual experience, or other changes.

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A copy of this release is available on Stratus' website, [stratusproperties.com](http://stratusproperties.com).

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