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

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 5)*[1]

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)

January 7, 2016
(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 Sections 240.13d-1(e), (f) or (g), check the following box. ☒[2]

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Section 240.13d-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 on 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 (however, see the Notes).

1 The reporting persons named in the cover pages to this Schedule 13D may be deemed to be a group for purposes of Section 13(d) of the Act and the rules thereunder in accordance with the provisions of Rule 13d-3(b)(1). This is the initial Schedule 13D filing by such reporting persons as a group. This Schedule 13D filing is also Amendment No. 5 to the Schedule 13D of Carl E. Berg, which Schedule 13D was originally filed with the Securities and Exchange Commission on January 11, 2012 and has been amended from time to time thereafter ("Amendment No. 5").

2 The box in this paragraph is checked solely with respect to this Schedule 13 as Amendment No. 5.

CUSIP No. 863167201

1	Name of reporting person I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Carl E. Berg		
2	Check the appropriate box if a member of a group (a) ☒ (b) ☐		
3	SEC use only		
4	Source of funds PF		
5	Check box if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e) ☐		
6	Citizenship or place of organization United States of America		
Number of shares beneficially owned by each reporting person with	7	Sole voting power 1,421,002 (See Item 5)	
	8	Shared voting power 0 (See Item 5)	
	9	Sole dispositive power 1,421,002 (See Item 5)	
	10	Shared dispositive power 0 (See Item 5)	
11	Aggregate amount beneficially owned by each reporting person 1,421,002 (See Item 5)		
12	Check box if the aggregate amount in Row (11) excludes certain shares ☐		
13	Percent of class represented by amount in Row (11) 17.6% (1) (See Item 5)		
14	Type of reporting person IN		

(1) The percentage is based upon 8,067,356 shares of Issuer's common stock outstanding as of October 30, 2015, as reported in the Issuer's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015 filed with the Securities and Exchange Commission on November 9, 2015 (the "FY15Q3 10-Q").

1	Name of reporting person I.R.S. IDENTIFICATION NO. OF ABOVE PERSON David M. Dean		
2	Check the appropriate box if a member of a group (a) ☒ (b) ☐		
3	SEC use only		
4	Source of funds Not Applicable		
5	Check box if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e) ☐		
6	Citizenship or place of organization United States of America		
Number of shares beneficially owned by each reporting person with		7	Sole voting power 0
		8	Shared voting power 0 (See Item 5)
		9	Sole dispositive power 0
		10	Shared dispositive power 0 (See Item 5)
11	Aggregate amount beneficially owned by each reporting person 0 (See Item 5)		
12	Check box if the aggregate amount in Row (11) excludes certain shares ☐		
13	Percent of class represented by amount in Row (11) (See Item 5)		
14	Type of reporting person IN		

(1) The percentage is based upon 8,067,356 shares of Issuer's common stock outstanding as of October 30, 2015, as reported in the FY15Q3 10-Q.

1	Name of reporting person I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Michael Knapp		
2	Check the appropriate box if a member of a group (a) ☒ (b) ☐		
3	SEC use only		
4	Source of funds Not Applicable		
5	Check box if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e) ☐		
6	Citizenship or place of organization United States of America		
Number of shares beneficially owned by each reporting person with	7	Sole voting power 0	
	8	Shared voting power 0 (See Item 5)	
	9	Sole dispositive power 0	
	10	Shared dispositive power 0 (See Item 5)	
11	Aggregate amount beneficially owned by each reporting person 0 (See Item 5)		
12	Check box if the aggregate amount in Row (11) excludes certain shares ☐		
13	Percent of class represented by amount in Row (11) (See Item 5)		
14	Type of reporting person IN		

(1) The percentage is based upon 8,067,356 shares of Issuer's common stock outstanding as of October 30, 2015, as reported in the FY15Q3 10-Q.

This Schedule 13D is jointly filed by Mr. Carl E. Berg, Mr. David M. Dean and Mr. Michael Knapp, who may be deemed to constitute a group under Section 13(d) of the Act and Rule 13d-3(b)(1) under the Act with respect to the shares of the class of common stock, par value $0.01 per share, of Stratus Properties Inc., a Delaware corporation ("Common Stock"), reported on the cover pages hereof (the "Reported Shares"). This Schedule 13D also amends the Schedule 13D originally filed by Mr. Berg with the Securities and Exchange Commission (the "SEC") on January 11, 2012 (the "Initial Berg Schedule 13D"), as amended by Amendment No. 1 to Schedule 13D filed on January 12, 2012, Amendment No. 2 to Schedule 13D filed on February 26, 2015, Amendment No. 3 to Schedule 13D filed on December 21, 2015 and Amendment No. 4 to Schedule 13D filed on December 30, 2015 (the Initial Berg Schedule 13D as amended by such amendments thereto, the "Berg Schedule 13D"), with respect to the Reported Shares.

All information disclosed in this Schedule 13D is stated as of the date of this Schedule 13D. The Reporting Persons do not undertake to update any of the information contained in this Schedule 13D except as and to the extent required by applicable law.

Item 1. Security and Issuer.

This Statement on Schedule 13D (this "Schedule 13D") relates to shares of Common Stock, the issuer of which is Stratus Properties Inc., a Delaware corporation (the "Issuer"), whose principal executive offices are located at 212 Lavaca St., Suite 300, Austin, TX 78701.

Item 2. Identity and Background.

(a) This statement is jointly filed by:

(i) Carl E. Berg ("Mr. Berg"), as a stockholder of the Issuer;

(ii) David M. Dean ("Mr. Dean"), as a nominee for election as a director of the Issuer and to serve on the Board of Directors of the Issuer (the "Board"); and

(iii) Michael Knapp ("Mr. Knapp"), as a nominee for election as a director of the Issuer and to serve on the Board.

Each of the foregoing is referred to herein as a "Reporting Person" and the foregoing are referred to herein collectively as the "Reporting Persons."

The Reporting Persons have agreed to Mr. Berg nominating Mr. Dean and Mr. Knapp for election as directors of the Issuer and to serve on the Board and that Mr. Dean and Mr. Knapp will serve as directors of the Issuer and on the Board if elected. The Reporting Persons have also agreed to act cooperatively to seek the election of Mr. Dean and Mr. Knapp as directors of the Issuer. In connection with the foregoing, the Reporting Person have entered into a Joint Filing and Solicitation Agreement dated January 14, 2016 that is more specifically described in Item 6 of this Schedule 13D appearing below (the "Joint Solicitation Agreement"). As a result, the Reporting Persons may be deemed to form a "group" for purposes of Section 13(d) of the Act and the rules thereunder (the "Group"). Accordingly, the Reporting Persons are hereby filing a joint Schedule 13D.

(b) Mr. Berg's principal business address is 10050 Bandley Drive, Cupertino, CA 95014. Mr. Dean's principal business address is 16200 Addison Road, Suite 250, Addison, TX 75001. Mr. Knapp's principal business address is 10050 Bandley Drive, Cupertino, CA 95014.

(c) Mr. Berg is a managing member and primary owner of Berg & Berg Enterprises, LLC, an investment and real estate development company, whose principal executive offices are located at 10050 Bandley Drive, Cupertino, CA 95014. Mr. Dean's principal employment is serving as the Chief Operating Officer of Lincoln Capital Management, LLC, an organization that specializes in providing bridge financing incident to the U.S. Small Business Administration's 504 real estate loan program, whose principal executive offices are located at 16200 Addison Road, Suite 250, Addison, TX 75001. Mr. Knapp's principal employment is serving as the manager of Berg & Berg Enterprises, LLC, an investment and real estate development company, whose principal executive offices are located at 10050 Bandley Drive, Cupertino, CA 95014.

(d) No Reporting Person has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Persons has, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Each of Messrs. Berg, Dean and Knapp is a citizen of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration.

Mr. Berg purchased the Reported Shares with his personal funds for an aggregate purpose price of $12,703,739.39. Neither Mr. Dean nor Mr. Knapp beneficially owns any shares of Common Stock except as, in accordance with the provisions of Rule 13d-3(b)(1) under the Act, each of Mr. Dean and Mr. Knapp may be deemed to beneficially own the Reported Shares for purposes of Section 13(d) of the Act and the rules thereunder as a result of being part of the Group along with Mr. Berg. See, however, Item 6 of this Schedule 13D for information regarding Mr. Berg's proposed sale to Mr. Dean of approximately 45,000 of the Reported Shares, which information is incorporated by reference into this Item 3.

Item 4. Purpose of Transaction.

Mr. Berg acquired the Reported Shares during the period from July 1997 through December 2001. He acquired the Reported Shares because he believed that such shares of Common Stock represented an attractive investment opportunity. However, he was concerned with the adequacy and enforcement of the Issuer's corporate governance policies and practices. He intended to express his views regarding the need for improved corporate governance to the Board and the management of the Issuer.

In the Initial Berg Schedule 13D, Mr. Berg disclosed his intent to engage in discussions with management, the Board, and other stockholders of the Issuer and other relevant parties concerning the business, management, operations, assets, capitalization, financial condition, governance, board composition, strategy and future plans of the Issuer, which discussions he expected to include proposing or considering one or more of the actions described in paragraphs (a) through (j) of Item 4 of Schedule 13D as set forth in Rule 13d-101 of the Act ("SEC Schedule 13D"). In addition, Mr. Berg disclosed his intent to discuss the composition of the Board, including the addition to the Board of persons suggested or nominated by Mr. Berg for election to the Board and to take actions to cause the election of one or more individuals nominated by Mr. Berg for election to the Board. Mr. Berg's intentions in regard to such matters have not changed.

On January 10, 2012, Mr. Berg submitted to the Issuer notice of his intention to nominate one director for election to the Board at the Issuer's 2012 Annual Meeting of Stockholders (the "2012 Annual Meeting"). Mr. Berg was prepared to take such actions, including the solicitation of proxies, as he considered appropriate or necessary to elect his nominee to the Board pursuant to the Issuer's charter documents, Delaware law and the federal securities laws.

In connection with Mr. Berg's nomination of one director for election to the Board at the 2012 Annual Meeting, he entered into a separate nomination agreement with Mr. William H. Lenehan IV ("Mr. Lenehan"). In response to Mr. Berg's nomination of Mr. Lenehan, the Issuer itself nominated Mr. Lenehan for election as a director at the 2012 Annual Meeting, and Mr. Lenehan was elected as a director at the 2012 Annual Meeting to serve a three-year term. Mr. Lenehan served as a director of the Issuer for such term, but was not nominated to stand for re-election as a director of the Issuer at the Issuer's annual meeting of stockholders held on May 7, 2015. Thus, Mr. Lenehan ceased to be a director of the Issuer on that date.

To pursue further discussions with management, the Board, and other stockholders of the Issuer, Mr. Berg sent a letter to the Chairman of the Board of the Issuer and the Board on or about February 20, 2015, a copy of which was attached as Exhibit 1 to Amendment No. 2 to Schedule 13D filed by Mr. Berg on February 20, 2015 to amend the Berg Schedule 13D. Such letter acknowledged receipt from the Issuer of a draft of a standstill agreement proposed by the Issuer that would have imposed certain restrictions on Mr. Berg's activities as a stockholder of the Issuer in return for certain concessions being made to Mr. Berg. Such letter also expressed certain concerns Mr. Berg had with the Issuer and its corporate governance, management and operations. The Issuer and Mr. Berg have not entered into any standstill agreement.

In furtherance of Mr. Berg's purposes for his ownership of the Reported Shares, in particular the stated purpose of submission of proposals regarding an extraordinary transaction, such as a merger, involving the Issuer (as contemplated by paragraph (b) of Item 4 of SEC Schedule 13D) and the stated purpose of the addition of persons suggested or nominated by Mr. Berg to the Board of the Issuer, on December 8, 2015, pursuant to Rule 14a-8 under the Act, Mr. Berg submitted a letter to the Corporate Secretary of the Issuer (the "Proposal Letter"), which included a Stockholder Proposal (the "Proposal") for inclusion in the Issuer's proxy materials relating to the Issuer's 2016 Annual Meeting of Stockholders (the "2016 Annual Meeting"). The Proposal requested that the Issuer's Board immediately engage a nationally recognized investment banking firm to explore the prompt sale, merger or other business combination of the Issuer. The Proposal included a supporting statement indicating why Mr. Berg was submitting the Proposal to the Issuer and believed stockholders of the Issuer should vote in favor of the Proposal at the 2016 Annual Meeting.

In addition, Mr. Berg informed the Issuer that he intended to nominate two persons for election as directors of the Issuer at the 2016 Annual Meeting in accordance with his rights as a stockholder under Article IV, Section 11 of the Issuer's Bylaws. A copy of the Proposal Letter, including the attachments thereto, which attachments include a copy of the Proposal, was furnished as Exhibit 1 to Amendment No. 3 to Schedule 13D filed by Mr. Berg on December 8, 2015 to amend the Berg Schedule 13D and is attached as Exhibit 1 to this Schedule 13D and incorporated by reference herein.

On December 19, 2015, in furtherance of Mr. Berg's purposes of his ownership of shares of Common Stock, in particular the stated purpose of submission of proposals regarding an extraordinary transaction, such as a merger, involving the Issuer (as contemplated by subsection (b) of Item 4 of Schedule 13D of the SEC), Mr. Berg sent by electronic mail a combined letter (the "Combined Letter") to Messrs. James E. Joseph and John G. Wenker, two individuals who the Board had recently appointed to the Board to fill vacancies on the Board created when the Board acted to increase the number of directors of the Issuer. The Combined Letter primarily discussed aspects of Issuer's operations and financial performance intended to inform Messrs. Joseph and Wenker of reasons behind Mr. Berg's submission to the Issuer of the Proposal on December 8, 2015 and the background of the Proposal, and to ensure that Messrs. Joseph and Wenker were informed about how, at least from Mr. Berg's perspective, the Issuer's board and management had historically operated. A copy of the Combined Letter, including the attachments thereto, which attachments include a copy of the stockholder proposal package submitted by Mr. Berg on December 8, 2015, was furnished as Exhibit 1 to Amendment No. 4 to Schedule 13D filed by Mr. Berg on December 30, 2015 to amend the Berg Schedule 13D and is attached as Exhibit 2 to this Schedule 13D and incorporated by reference herein.

On January 8, 2016, Mr. Berg delivered to the Issuer a written notice (the "Written Notice") to the Secretary of the Issuer by which he nominated Mr. Dean and Mr. Knapp for election as directors of the Issuer at the Issuer's 2016 Annual Meeting, pursuant to Article IV, Section 11 of the Issuer's bylaws. Each of Mr. Dean and Mr. Knapp consented on January 7, 2016 to being named as a nominee for election as a director of the Issuer at the Issuer's 2016 Annual Meeting, to be named as a nominee in the proxy statement of Mr. Berg, the proxy statement of any group of stockholders of the Issuer, the proxy statement of the Issuer and on the related proxy cards and to serve as a director of the Issuer and on the Board if elected. A copy of the Written Notice, including the exhibits thereto, which included the nominees' consents and the information concerning the nominees, is furnished herewith as Exhibit 4 and incorporated by reference herein.

On January 8, 2016, Mr. Berg sent a letter by electronic mail to each member of the Board expressing Mr. Berg's concerns regarding the renewal of the change-in-control agreements between the Issuer and Mr. William H. Armstrong III, the Issuer's chief executive officer, and between the Issuer and Ms. Erin D. Pickens, the Issuer's chief financial officer (the "Change-in-Control Agreements Letter"). A copy of the Change-in-Control Agreements Letter is furnished herewith as Exhibit 4 and incorporated by reference herein.

No Reporting Person has any present plan or proposal that would relate to or result in any of the matters set forth in subparagraphs (a) through (j) of Item 4 of Schedule 13D except as set forth herein or such as would occur upon or in connection with completion of, or following, any actions, events or occurrences of the types discussed herein or as set forth in paragraphs (a) through (j) of Item 4 of SEC Schedule 13D. Mr. Berg intends to review his investment in Common Stock on a

continuing basis, and each of the other Reporting Persons intends to review whether he will acquire any shares of Common Stock after the date of this Schedule 13D and, if he does acquire any shares of Common Stock, intends to review any such investment in Common Stock on a continuing basis after such acquisition is consummated.

The Reporting Persons, individually or acting together, may in the future exercise any and all of rights they may have as stockholders of the Issuer in a manner consistent with their equity interests in the Issuer. Depending on various factors including, without limitation, the Issuer's financial position, results of operations, cash flows, actions regarding the real properties in its real estate portfolio and investment strategy, Common Stock prices, conditions in the securities markets, whether any offer has been made by a third party to acquire the Issuer or the outstanding shares of Common Stock, the terms and conditions of any offer that is made by a third party to acquire the Issuer or the outstanding shares of Common Stock, general economic and industry conditions and any other factors identified and deemed pertinent by the Reporting Persons, the Reporting Persons, individually or acting together, may, subject to the terms of the Joint Solicitation Agreement, in the future take such actions with respect to the Issuer and the shares of Common Stock they or any of them hold as any or all of them deems appropriate, including, without limitation, one or more of the following: (i) engaging in, and continuing to engage in, communications and discussions with, and making recommendations, suggestions and proposals to, management of the Issuer and one or more members of the Board, including Mr. Dean and Mr. Knapp in their capacities as directors of the Issuer if they are elected as directors of the Issuer at the 2016 Annual Meeting, stockholders of the Issuer and other interested parties, including potential acquirers of the Issuer, in each case, directly or through representatives, whether by press release, letter or other oral, written or electronic communication, in person or otherwise, regarding (1) the value of the Issuer's securities and ways to increase stockholder value for the stockholders of the Issuer, (2) the Issuer's business, management, operational performance, portfolio of real properties, other investments, operations, assets, indebtedness and other liabilities (including the terms thereof and the security therefor, if any), cash flows, capitalization, executive compensation, change-in-control agreements, the Issuer's stockholder rights plan (i.e., its poison pill), other corporate governance provisions and practices of the Issuer and its management that are unfriendly to stockholders of the Issuer who are not insiders of the Issuer, financial condition, results of operations, financial performance, ownership structure, corporate governance, Board structure and composition, strategy and future plans and suggestions for changes and improvements thereto, (3) liquidation of the Issuer's assets or one or more properties included in those assets with a distribution of the proceeds of the sale of those assets to the Issuer's stockholders and (4) such other matters as any or all of the Reporting Persons may determine; (ii) purchasing shares of Common Stock or, in the case of Mr. Berg, purchasing additional shares of Common Stock, selling shares of Common Stock, engaging in short selling of or any hedging or similar transaction with respect to shares of Common Stock; (iii) soliciting proxies from stockholders of the Issuer for voting at the 2016 Annual Meeting (a) in favor of (1) the election of Messrs. Dean and Knapp as directors of the Issuer, and (2) the Proposal and (b) as the Reporting Persons or a Reporting Person may deem appropriate on other items of business to come before the stockholders of the Issuer for a vote at the 2016 Annual Meeting; (iv) discussing with one or more interested persons the possibility of making an offer to acquire the Issuer in an extraordinary transaction, including by means of a merger, and the terms of any offer that might be made; (v) seeking to obtain from one or more interested person an offer or offers to acquire the Issuer in an extraordinary transaction, including by means of a merger; (vi) seeking to effect or cause to occur or to have the Issuer engage in or cause to occur with respect to the Issuer one or more of the actions, events and occurrences set forth in paragraphs (a) through (j) of Item 4 of SEC

Schedule 13D or to have the Issuer engage in the consideration, acceptance, rejection, negotiation, entry into and consummation of any transaction relating to an extraordinary transaction, including a merger, resulting in the sale of the Issuer; or (vii) changing their intentions with respect to any or all matters referred to in this Item 4 of this Section 13D.

Item 5. Interest in Securities of the Issuer.

(a) - (c) Mr. Berg is the beneficial owner of 1,421,002 shares of Common Stock (which are referred to herein as the "Reported Shares"), representing approximately 17.6% of the shares of Common Stock outstanding, based on 8,067,356 shares of Common Stock outstanding as of October 30, 2015, as reported in the FY15Q3 10-Q. Such shares of Common Stock include 16,002 shares of Common Stock that Mr. Berg recently determined were inadvertently not included in the shares of Common Stock previously reported in the Berg Schedule 13D as being beneficially owned by Mr. Berg.

Neither Mr. Dean nor Mr. Knapp beneficially owns any shares of Common Stock, except that in accordance with Rule 13d-3(b)(1) under the Act, for purposes of Section 13(d) or Section 13(g) of the Act and the rules thereunder, each of Mr. Dean and Mr. Knapp may be deemed to beneficially own a total of 1,421,002 shares of Common Stock (which are referred to herein as the "Reported Shares") as a member of the Group. Each of Mr. Dean and Mr. Knapp expressly disclaims beneficial ownership of any of the Reported Shares and expressly declares that the filing of this Schedule 13D and any amendment hereto shall not be construed as an admission by him that he is the beneficial owner of any of the Reported Shares.

The Reporting Persons collectively may be deemed to beneficially own an aggregate of 1,421,002 shares of Common Stock (which are referred to herein as the "Reported Shares"), constituting approximately 17.6% of the shares of Common Stock outstanding, based on 8,067,356 shares of Common Stock outstanding as of October 30, 2015, as reported in the FY15Q3 10-Q.

Neither Mr. Dean nor Mr. Knapp has either sole or shared power to vote or to direct the voting of, or sole or shared power to dispose of or to direct the disposition of, any of the Reported Shares. Mr. Berg retains the sole power to vote or to direct the voting of, and the sole power to dispose of or to direct the disposition of, the Reported Shares.

See Item 6 of this Schedule 13D for information regarding Mr. Berg's proposed sale to Mr. Dean of approximately 45,000 shares of the Reported Shares, which information is incorporated by reference in this Item 5.

Except as otherwise disclosed in this Schedule 13D, none of the Reporting Persons has engaged in any transaction in shares of Common Stock during the past sixty days.

(d) None of the Reporting Persons has knowledge of any person who has the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the shares of the Reported Stock other than Mr. Berg.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Mr. Berg and Mr. Dean have reached a non-binding agreement in principle with respect to a sale by Mr. Berg to Mr. Dean of approximately 45,000 of the Reported Shares at a purchase price of $18.00 per share, at an indeterminate time in the future and on certain other terms that is serving as a framework for their negotiation of a binding agreement for the purchase and sale of such shares of Common Stock.

In addition, on January 13, 2016, the Reporting Persons entered into the Joint Solicitation Agreement which governs, among other matters, the joint filing of Schedule 13D for such parties in connection with seeking to have Mr. Dean and Mr. Knapp elected as directors of the Issuer at the 2016 Annual Meeting and taking actions necessary to achieve that goal, including the solicitation of proxies from stockholders of the Issuer and the coordination and oversight of communications by one or more of the Reporting Persons with the Issuer and other persons relating to that goal. Nothing in such agreement gives Mr. Berg any control over the manner in which Mr. Dean or Mr. Knapp will discharge his duties as a director of the Issuer or provides Mr. Dean or Mr. Knapp any power to vote or to direct the vote of, or any power to dispose of or to direct the disposition of, any of the Reported Shares. A copy of the Joint Solicitation Agreement is furnished herewith as Exhibit 5 and incorporated by reference in this Item 6.

Item 7. Material to be Filed as Exhibits.

Ex.	Document
1	Letter to Corporate Secretary of the Issuer from Mr. Berg submitting the Proposal dated December 8, 2015 and exhibits thereto
2	Letter to Messrs. James E. Joseph and John G. Wenker from Mr. Berg dated December 19, 2015
3	Notice of Director Nomination for the 2016 Annual Meeting of Stockholders to Stratus Properties Inc. dated January 8, 2016 and exhibits thereto
4	Letter to the Members of the Board of Directors of Stratus Properties Inc. dated January 8, 2016
5	Joint Filing and Solicitation Agreement, dated January 14, 2016, among Mr. Berg, Mr. Dean and Mr. Knapp

[Signature page follows.]

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: January 15, 2016

REPORTING PERSONS:

/s/ Carl E. Berg
Name: Carl E. Berg

/s/ David M. Dean
Name: David M. Dean

/s/ Michael Knapp
Name: Michael Knapp

Exhibit 1

December 8, 2015

Corporate Secretary
Stratus Properties Inc.
212 Lavaca Street
Suite 300
Austin, Texas 78701

VIA FEDERAL EXPRESS AND HAND DELIVERY

Re: Shareholder Proposal for Inclusion in the Stratus Properties Inc. Proxy Statement relating to Stratus Properties Inc.'s 2016 Annual Meeting of Stockholders

Ladies and Gentlemen:

In accordance with Rule 14a-8 of the Securities and Exchange Commission (the "Commission") promulgated under the Securities Exchange Act of 1934, as amended ("Rule 14a-8"), I hereby submit the proposal attached to this letter as Attachment A (the "Proposal") to Stratus Properties Inc., a Delaware corporation (the "Company"), for inclusion, in accordance with Rule 14a-8, in the proxy statement of the Company to be used by the Company to solicit proxies for use at the Annual Meeting of Stockholders of the Company to be held in 2016 (the "2016 Annual Meeting").

I am the beneficial owner of and hold more than 1% of the outstanding shares of the common stock, par value $0.01 per share, of Stratus Properties Inc. ("Common Stock") on December 8, 2015. I have continuously beneficially owned and held more than 1% of the outstanding shares of Common Stock since prior to January 11, 2012, the date on which I filed my initial Schedule 13D relating to my ownership of shares of Common Stock with the Commission. (Prior to that time, I had reported my holdings of shares of Common Stock on Schedule 13G). I will continue to beneficially own and hold at least 1% of the outstanding shares of Common Stock continuously through the date of the Annual Meeting. In accordance with paragraph (b)(2) of Rule 14a-8, as evidence that I beneficially own and hold such shares of Common Stock and have done so continuously since at least January 11, 2012, I have attached to this letter as Appendix B-1, B-2, and B-3, respectively, copies of the following documents:

1. My Schedule 13D with respect to my ownership of shares of the Common Stock (the "Schedule 13D") as filed with the Commission on January 11, 2012;
2. Amendment No. 1 to the Schedule 13D as filed with the Commission on January 12, 2012; and
3. Amendment No. 2 to the Schedule 13D as filed with the Commission on February 26, 2015.

At the date of this letter, I have filed no other amendments to the Schedule 13D with the Commission.

In accordance with paragraph (h)(1) of Rule 14a-8, I or my personal representative (who will be a person qualified under the laws of the State of Delaware to present the Proposal on my behalf) will attend the 2016 Annual Meeting to present the Proposal.

Please be advised that I currently intend to nominate two persons for election as directors of the Company at the 2016 Annual Meeting in accordance with my rights as a shareholder under Article IV, Section 11 of the Company's Bylaws. However, I do not undertake any obligation to notify you if my intentions in this regard change in any respect except as required by applicable law.

Very truly yours,

/s/ CARL E. BERG

Carl E. Berg

Attachment A
to Letter to Stratus Properties Inc. dated December 8, 2015

Resolved: The shareholders of Stratus Properties request that Stratus's board of directors immediately engage a nationally recognized investment banking firm to explore the prompt sale, merger or other business combination of Stratus so shareholders may realize the true value of their Stratus shares.

Supporting Statement

This proposal is made by Carl Berg, Stratus's largest shareholder since 2002.

1. The resolution's proponent believes Stratus's share value will only be maximized if Stratus is acquired in a sale, merger or other business combination.

2. Stratus's management has demonstrated an inability to create acceptable shareholder value. As of December 4, 2015, Stratus's shares are down 33% from their December 31, 2005 closing price. During the same period, Austin area real estate values have appreciated dramatically, the S&P 500 index was up 68% and the MSCI REIT index was up 29%.

3. Based on December 4, 2015 closing price of $15.69, the shares are trading at a 55% discount to management's recently published net asset value estimate of over $35. The highest closing price over the five years preceding that date was $17.93.

4. CEO compensation is not aligned with shareholder interests or closely tied to performance. Despite Stratus's unacceptable financial performance and share price, the CEO's cumulative compensation totaled approximately $13.4 million between 2005 and 2014. His cash compensation increased 63% during the same period.

5. Stratus is again placing inappropriate leverage on its balance sheet to acquire more land and pursue high profile developments. In the past similar actions have imperiled Stratus and resulted in dilutive financings and ill-timed sales of core properties it had held for years. Alarmingly, Stratus's debt grew from $135 million (adjusted for its portion of joint venture debt) at December 31, 2014 to $255 million at September 30, 2015.

6. Stratus's recent buyout of its partner in the Block 21 project and pursuit of new shopping-center developments has led Stratus to again encumber all of its properties with a patchwork of mortgage loans and credit facilities, most with floating interest rates and highly restrictive covenants.

7. The proponent believes that Stratus's significant general and administrative expenses, including significant executive compensation expenses, are a substantial burden on stockholder value. From 2005 through 2014 cumulative income before general and administrative expenses (excluding changes in the deferred tax asset) was $99.5 million, but general and administrative expenses consumed $68.8 million, or 69%, of that income leaving only $30.7 million in cumulative net income applicable to common stockholders for the ten-year period.

8. The proponent believes that Stratus's assets are relatively liquid at something close to net asset value today before transaction costs and taxes and that the Board of Directors should take immediate steps to realize this value. A five-year plan is entirely unnecessary and fraught with risks.

Vote "FOR" this shareholder proposal to seek to maximize share value.

Attachment B-1
to Letter to Stratus Properties Inc. dated December 8, 2015

[Incorporated by Reference to Statement on Schedule 13D, filed by Carl E. Berg with the Securities and Exchange Commission on January 11, 2012]

Attachment B-2
to Letter to Stratus Properties Inc. dated December 8, 2015

[Incorporated by Reference to Amendment No. 1 to Statement on Schedule 13D, filed by Carl E. Berg with the Securities and Exchange Commission on January 12, 2012]

Attachment B-3
to Letter to Stratus Properties Inc. dated December 8, 2015

[Incorporated by Reference to Amendment No. 2 to Statement on Schedule 13D, filed by Carl E. Berg with the Securities and Exchange Commission on February 26, 2015]

Exhibit 2

December 19, 2015

Dear Mr. Joseph and Mr. Wenker:

I am the largest shareholder in Stratus Properties and have been the largest shareholder since 2002. As will be apparent to you from the discussion below, I have had, and I still have, numerous disagreements with Mr. Armstrong and Stratus' Board. From 1997 through December 22, 2012, I was the CEO of Mission West Properties, and am fully informed with respect to the characteristics of successful public real estate companies operated in the best interests of shareholders. Beyond the company's numerous failures in this regard, a real estate company with an equity market value of less than $150 million, as has been the case with Stratus for years, should not be public. I have no interest in buying or running Stratus. Nor do I want any of my colleagues to purchase or run Stratus. I only want all shareholders – including myself — to have a better chance to realize the fair market value today rather than experience another ten years of a stagnant stock price, and the attendant risks of placing high leverage on development and land assets.

I trust that the Stratus Board or management has provided you with a copy of my shareholder proposal to be presented at the 2016 annual meeting of stockholders ("AMS" below), which I submitted to Stratus on December 8, 2015, two days before your appointments. My proposal requests that the Board immediately engage an investment banker to explore the sale of the company. In the transmittal letter, I also notified the Board of my intention to nominate two directors for election at the 2016 AMS. I have enclosed copies of the proposal and letter for your convenience. So far, I have received no direct reply from Stratus to my shareholder proposal submission, but I do note that three days after receiving my proposal package, Stratus publicly announced the expansion of its Board and your appointments.

This letter is my attempt to make sure that as you assume your fiduciary duties as board members, you understand why I submitted the shareholder proposal and the background for that proposal. The following explanation necessarily repeats some of the reasons for exploring a sale of the Company that I state in the supporting statement to the proposal, but amplifies those reasons with additional detail for you to consider, while also adding some additional reasons for concern not included in the supporting statement.

1. Stratus has severely underperformed.

Stratus has chronically underperformed for years and does not have the scale to be successful as a public company. Little net value has been created for Stratus shareholders over the past 10 years. As of December 18, 2015, Stratus shares were down over 30% from the December 31, 2005 closing price while land and real estate values in Austin, Texas have appreciated dramatically. This compares to over 60% return for the S&P 500 and over 25% for the MSCI REIT index during the same period.

Return on historical book equity, adjusted for gains and losses on Stratus' deferred tax asset, has averaged less than 3% a year over a ten-year period. Stratus has never paid a dividend.

2. Stratus has suffered from a chronic misallocation of its capital.

Stratus has repeatedly overleveraged its balance sheet to pursue large, high-profile developments in which the company has no discernable strategic advantage. This has resulted in several dilutive financings and ill-timed asset sales.

Meanwhile, Stratus acknowledges that the development capital required for the land that it has owned for over 20 years requires hundreds of millions of dollars, which it cannot fund on its own.

As a result of its recent buyout of its partner in the Block 21 project and the pursuit of strip shopping center developments on land that it does not own, Stratus has encumbered virtually all of its properties with a patchwork of mortgages and loans. Most of this debt has floating interest rates with highly restrictive covenants, including a prohibition on share repurchases above $1 million, even as the shares languish at less than 50% of the company's published net asset value estimate.

3. Stratus' shares have traded at a perpetual large discount to net asset value.

Stratus published an estimated net asset value of over $35 per share in May 2015. Since that date and for the past five years, Stratus shares have never traded above 50% of that estimate. This is not a reflection of the real estate market in Austin, Texas, but a commentary on the Company's unfocused business plan, excessive overhead, high leverage, imprudent risk taking and small size.

4. Stratus has suffered from a lack of board oversight of the executive compensation.

Stratus' annual proxy statements are replete with references to aligning compensation with the interest of shareholders and the long-term performance of the stock and the company's financial performance. To the contrary, the Board has rewarded underperformance. CEO Beau Armstrong has received compensation and benefits easily exceeding $20 million during his tenure, including the value of his equity incentive awards based on recent prices of Stratus shares. The value of his compensation over that period is more than $25 million if Stratus' net asset value estimate is used to value his equity awards.

Unfortunately, investors in Stratus - like myself - have not been similarly rewarded with an acceptable return on the capital we have entrusted to Stratus, its Board and Mr. Armstrong over the years. The market value of Stratus's stock has fluctuated from between approximately $140 million and less than $60 million over the past five years. Shareholders investing in Stratus stock in the spring of 2007, when the company embarked on the $300 million Block 21 project, have seen their investment erode by over 50%.

5. Stratus does not need and will not thrive with the vague "five-year plan" announced in May 2015.

Stratus's May 2015 investor presentation outlined a five-year plan. The plan is vague and often contradicts itself or is contradicted by Stratus' subsequent actions. For example, there

is a slide in the presentation entitled “Plan to Return Cash to Shareholders,” but other slides outline a multi-hundred-million-dollar development pipeline that Stratus cannot possibly fund on its own — especially if cash is being returned to shareholders. Furthermore, loan covenants entered into after the plan was released preclude or restrict stock buybacks and dividends, the only means of returning cash to shareholders.

In early 2015, Stratus announced that its Block 21 property would be sold, which would have been consistent with the May 2015 presentation. But within months, Stratus reported that there were no “acceptable” offers in spite of an extremely robust market for commercial property in downtown Austin. Instead, Stratus borrowed significant funds and bought out its partner at a near-record per-room price for an Austin hotel property.

Stratus’ plan is seriously deficient in not addressing the key questions for its owners: where is any specific proposal to return cash to shareholders or any plan to eliminate or even close the large discount between the stock price and net asset value of the company’s assets?

6. Stratus’ overhead has been excessive.

For the ten year period through 2014, earnings before general and administrative expense totaled approximately $99.5 million, excluding non-cash changes in the deferred tax asset. A significant portion of this was generated from the sale of undeveloped land held since the early 1990s. During the same period, cumulative general and administrative expenses were $68.8 million, resulting in cumulative 10-year net income to shareholders of only $30.7 million, excluding changes in the value of Stratus’ deferred-tax asset.

Worse, Stratus’ “five-year plan” suggests additional cumulative overhead of $40-50 million, which understates the total anticipated cumulative overhead because it ignores the dilutive impact of Stratus’ routine issuance of stock grants to management at large discounts to the net asset value.

The overhead burden of a company this size structurally precludes an adequate return on capital, even with consistent successful execution, which has of course not occurred at Stratus.

7. Stratus has actively thwarted attempts by shareholders to be represented on the Board.

In late 2011, after the stock had traded below $8 per share and the company was in danger of violating certain of its loan covenants, I notified the company of my intent to nominate a highly qualified independent director, William Lenehan, to the Board at the 2012 AMS. The Board honored this request by appointing Mr. Lenehan in advance of the annual meeting. After the deadline for nominating directors in 2012 had expired, the Board pressured an independent director, Bruce Garrison, to resign. Mr. Garrison had previously been recommended by me and first elected in 2002. I had not asked that another independent director be removed, nor did I announce any intent to run my nominee against a sitting director.

During the same time frame the Board appointed another director under the “auspices” of a stock-purchase agreement with James Moffett, a founder of Stratus’ predecessor company and who had acquired shares in a private placement not available to any of the other shareholders.

As a result, my intent to increase independent oversight of management was blunted and "gamed" by the incumbent directors. After Mr. Lenehan began raising concerns relating to corporate governance, among other things, the other Stratus directors did not nominate him for re-election at the 2015 AMS as I had understood and anticipated he would be. The company made no public or SEC disclosures of the real reasons for Mr. Lenehan not being nominated for re-election as a director. By remaining silent on the subject, the Board and management have not fulfilled the duty of candor they owe shareholders and have failed to disclose material information to its shareholders.

Whatever disagreements management and directors might have with my views on the direction of the company, this sort of maneuvering is wrong.

8. Stratus employs antitakeover protections defenses and corporate governance practices that are excessive and have the effect of entrenching management.

In 2006, a shareholder proposed a shareholder proposal to declassify the staggered board of directors. In recommending a vote against that proposal, the board stated that a classified board is advantageous to shareholders because it protects against unfair and abusive takeover tactics; promotes the stability and continuity needed for implementation of long-term corporate strategy and focus on long-term performance; assures accountability to shareholders as well as a destaggered board; and is consistent with current good corporate governance standards.

Despite the board's opposition, the proposal garnered more than 70% approval of the shares voted at the 2006 annual meeting. Stratus nevertheless declined to declassify the board.

It appears to me that the Stratus board has never met a takeover defense or a management entrenchment strategy it doesn't like, and that the 2006 events recited above are representative of an attitude more consistent with a strategy of entrenching management than pursuing the best interests of Stratus' shareholders. Consider that Stratus has: a poison pill rights plan; blank check preferred stock; a classified board; charter provisions that permit only the board to fix the number of directorships and to fill board vacancies; charter provisions that eliminate the right of shareholders to call special meetings of shareholders and to act by written consent; charter provisions that require an 85% supermajority vote by shareholders to approve business combinations with 20% shareholders unless "continuing directors" approve of the transaction; and charter provisions that require an 85% supermajority shareholder vote to eliminate or alter the classified board, prohibition against written consents or shareholder-called special meetings, or the business combination provisions. In addition, Stratus has bylaw provisions tightly controlling when and how shareholders may nominate directors for election or bring other matters for action at shareholder meetings. These kinds of corporate governance practices are widely viewed by institutional investors as the antithesis of best corporate governance practices. If the proxy advisor, Institutional Shareholder Services (which is widely referred to as "ISS"), makes voting recommendations regarding voting for the election of directors at Stratus' annual meetings of stockholders and makes those recommendations in accordance with its current voting guidelines, I feel certain ISS recommends that the institutional investors that are its clients vote against the re-election of the current Stratus directors in view of Stratus' corporate governance practices.

The original purpose for adopting those defenses – some of which date back to the spinoff of Stratus from Freeport-McMoran, when Freeport continued to guarantee Stratus' debt – might have been and defensible. But two decades later, the cumulative effects of those

mechanisms do not, in my judgment, serve the purposes laid out by Stratus in its 2006 defense of the classified board. Instead of merely protecting against unfair and abusive takeover tactics, they tend to smother, discourage, frustrate and dramatically increase the cost of a third party takeover proposal regardless of its tactics; they tend toward making the board less accountable to shareholders, as pointed out in my previous statements; they are not consistent with current standards of good corporate governance; and as for promoting stability and continuity for implementing long-term strategy and long-term performance, that is exactly the problem: they do shield management from shareholders and third parties who want management to stop pursuing poor performance and bad strategies.

But even if all of the many takeover defenses and entrenchment strategies were to fail and Mr. Armstrong and Stratus' CFO, Erin Pickens, were terminated in an acquisition of Stratus, they still don't have to worry. They have golden parachutes with Stratus under which Stratus would have paid out over $4.45 million to Mr. Armstrong and over $1.27 million to Mr. Pickens if they had been terminated upon a change of control on December 31, 2014. And that payout amount was calculated based on the assumption of a lower stock price than the Stratus' closing price on December 17, 2015. Those golden parachutes come up for renewal soon. When they do, you will have to assess whether renewing those golden parachutes at the current or a different payout formula and your vote on those golden parachutes will truly serve the best interests of all of the Stratus shareholders.

On behalf of all shareholders, I intend to hold management and the Directors accountable for any lack of independence, unsound business decisions or failure to live up to their respective legal obligations to Stratus shareholders. I encourage you to contact me for any clarifications and would ask that management and the incumbent directors respond directly to any perceived inaccuracies or unfair context.

Sincerely,

Carl E. Berg (ceb@bergvc.com)

408-725-0700 x1

Attachment: Shareholder Proposal Package

cc: Mr. William H. Armstrong III
Mr. Michael D. Madden
Mr. James C. Leslie
Mr. Charles W. Porter

Exhibit 3

Carl Berg
10050 Bandley Drive
Cupertino, CA 95014

January 8, 2016

Corporate Secretary
Stratus Properties Inc.
212 Lavaca Street, Suite 300
Austin TX 78701

Re: Notice of Director Nominations for the 2016 Annual Meeting of Shareholders

Dear Sir:

Carl Berg (the "Stockholder") represents that he is a record holder and beneficial owner of shares of the common stock, par value $0.01 per share (the "Common Stock"), of Stratus Properties Inc. (the "Company"). The Stockholder represents that he intends to (i) continue to be a record holder of shares of the Common Stock at all times from and including the date of this notice letter (this "Notice") to and including the date of the 2016 annual meeting of stockholders of the Company (the "Annual Meeting") or of any adjournment or postponement thereof, including, without limitation, the date that the Company sets as the record date for the Annual Meeting and the date of the Annual Meeting itself and (ii) appear in person or have his duly authorized representative at the meeting to propose the business described in this Notice. If the Stockholder conducts a "solicitation" (as that term is defined in the rules and regulations promulgated under the Securities Exchange Act of 1934, as amended) in connection with the Annual Meeting, the Stockholder or his affiliates will pay the costs of such solicitation.

This Notice is being delivered pursuant to Article IV, Section 11 of the Company's Bylaws (the "Nomination Advance Notice Provision"). In accordance with the Nomination Advance Notice Provision, the Stockholder hereby nominates the following persons for election as directors of the Company (the "Nominees") at the Annual Meeting:

David M. Dean

Michael Knapp

The Stockholder is nominating the Nominees for election as directors of the Company at the Annual Meeting because in accordance with Article V, Section 3 of the Bylaws, directors shall be elected at the Annual Meeting. Should the Board of Directors of the Company (the "Board") announce an increase in the number of directors to be elected at the Annual Meeting to be beyond two, the Stockholder will promptly provide the names and required information with respect to such additional person or persons as the Stockholder nominates for election as a director or directors of the Company. The Stockholder is not providing any additional names at this time because it has no knowledge that the number of Class III directors has been or will be increased or that a greater number of directors has been or will be proposed for election at the Annual Meeting.

In the event any Nominee is unable to stand for election at the Annual Meeting, the Stockholder, in person or by proxy, intends to nominate a person in the place of such Nominee for election as a director of the Company at the Annual Meeting.

Pursuant to the Nomination Advance Notice Provision, certain information about the Stockholder is set forth in Exhibit 1 and certain information about each Nominee is set forth in Exhibit 3. In addition, each Nominee has consented to being named as a nominee for election as a director of the Company at the Annual Meeting, to be named as a nominee in the proxy statement of the Company relating to the solicitation of proxies for voting of shares of Common Stock at the Annual Meeting and, if elected, to serve as a director of the Company. The written consents of Nominees are attached as Exhibit 2A and Exhibit 2B, respectively. The Exhibits and all attachments thereto are hereby incorporated into and made a part of this Notice to the same extent as if fully set forth in this Notice. Accordingly, all matters and information disclosed in any part of this Notice, including the Exhibits and all attachments thereto, shall be deemed disclosed for all purposes of this Notice.

The information in this Notice and in the attached exhibits represents the Stockholder's best knowledge as of the date hereof. Except as set forth in this Notice, the Stockholder has no information to disclose in response to the Nomination Advance Notice Provision. In certain instances in which a disclosure item is not applicable or no disclosure is required to be made pursuant to the Nomination Advance Notice Provision or Regulation 14A under the Securities Exchange Act of 1934, as amended, a response may not have been provided in this Notice.

The Stockholder reserves the right, in the event that such information shall be or shall become inaccurate, to provide corrective information to the Company as soon as reasonably practicable, although the Stockholder does not undertake to update any information that may change from and after the date hereof. Neither the delivery of this Notice nor the delivery of additional information, if any, provided by or on behalf of the Stockholder to the Company from and after the date hereof shall be deemed to constitute an admission by the Stockholder or any of his affiliates (i) that this Notice or any such information is required or is in any way defective, or (ii) as to the legality or enforceability of any notice requirement or any other matter. In the event that any statement or other information that relates to the information contained in, or nominations contemplated by, this Notice is not true, or to the extent that any applicable information is incorrect or has been omitted from this Notice, the proposing persons reserve the right to correct or supplement (or both) any such statement or other information set forth in this Notice.

This Notice has been prepared and delivered in strict accordance with the Nomination Advance Notice Provision. If the Company or any authorized representative of the Company or the Board believes that this Notice does not comply with the Nomination Advance Notice Provision or is otherwise in any way deficient, the Company should immediately call Joe Hoffman (214-659-4593) or Dudley Murrey (214-659-4530) of Andrews Kurth LLP to notify them of the alleged deficiency so that they can arrange for the Stockholder to supplement and/or amend this Notice in whatever ways the Stockholder believes to be appropriate.

The execution and delivery of this Notice shall not constitute a waiver of the rights of the Stockholder to contest the validity of the Nomination Advance Notice Provision or any determinations made with respect to this Notice.

(Signature page follows)

Very truly yours,

/s/ Carl Berg

Carl Berg

cc: Joseph A. Hoffman (Andrews Kurth LLP)
Dudley Murrey (Andrews Kurth LLP)

EXHIBIT 1

INFORMATION REGARDING THE STOCKHOLDER

All capitalized terms used in this Exhibit 1 and not defined herein shall have the meanings ascribed to those terms in the Notice Letter to Stratus Properties Inc. from Carl Berg dated January 8, 2016, provided pursuant to Article IV, Section 11 of the Bylaws of Stratus Properties Inc. to which this Exhibit 1 is attached.

The Stockholder's Name as it appears on the Company's Stock Records: Carl Berg

The Stockholder's Address as it appears on the Company's Stock Records: 10050 Bandley Drive, Cupertino, California 95014

Number of Shares of Common Stock Held by the Stockholder: 1,421,002

Manner in Which Such Shares of Common Stock are Held by the Stockholder: 200 of such shares of Common Stock are held of record by Carl Berg and 1,420,802 shares of Common Stock are beneficially owned by Carl Berg and held in street name. The Nominees may be deemed to be beneficial owners of all such shares of Common Stock as and for the purposes described in Exhibit 2A and Exhibit 2B to the Notice Letter described above.

EXHIBIT 2A

CONSENT

I hereby consent (i) to being named in one or more of the proxy statement of Carl E. Berg, the proxy statement of any group of stockholders of Stratus Properties Inc., a Delaware corporation (the "Company"), and] the proxy statement of the Company and in one or more of the proxy of Carl E. Berg, the proxy of any group of stockholders of the Company and the proxy of the Company, in each case, as a nominee for election as a director of the Company (the "Company") at its 2016 annual meeting of stockholders of the Company and (ii) to serve as a director of the Company and on the board of directors of the Company if elected.

/s/ David M. Dean

Name: David M. Dean
Date: January 7, 2016

EXHIBIT 2B

CONSENT

I hereby consent (i) to being named in one or more of the proxy statement of Carl E. Berg, the proxy statement of any group of stockholders of Stratus Properties Inc. , a Delaware corporation (the "Company"), and the proxy statement of the Company and in one or more of the proxy of Carl E. Berg, the proxy of any group of stockholders of the Company and the proxy of the Company, in each case, as a nominee for election as a director of the Company (the "Company") at its 2016 annual meeting of stockholders of the Company and (ii) to serve as a director of the Company and on the board of directors of the Company if elected.

/s/ Michael Knapp

Name: Michael Knapp
Date: January 7, 2016

EXHIBIT 3

Information Concerning the Nominees

All capitalized terms used in this Exhibit 3 and not defined herein shall have the meanings ascribed to those terms in the Notice Letter to Stratus Properties Inc. from Carl E. Berg dated January 8, 2016, provided pursuant to Article IV, Section 11 of the Bylaws of Stratus Properties Inc. to which this Exhibit 3 is attached.

Nominee: David M. Dean

a. The Stockholder's first nominee is Mr. David M. Dean ("Mr. Dean"), who was born on November 17, 1960, is 55 years old and is a citizen of the United States. His business address is 16200 Addison Road, Suite 250, Addison TX 75001, and his telephone number is 214-xxx-xxxx.

b. Mr. Dean's current principal employment is as the Chief Operating Officer of Lincoln Capital Management, LLC ("Lincoln"), an organization that specializes in providing bridge financing incident to the Small Business Administration's 504 real estate loan program. That lending has helped finance developments such as hotels, automotive repair facilities, assisted living facilities, restaurants, and other types of commercial real estate developments. Mr. Dean has held that position since September 2012. From January 2008 through August 2012, Mr. Dean's principal business activity was acting as a real estate and angel investor, investing for his own account, primarily in the Dallas/Fort Worth metropolitan area. From August 1994 through August 2007, Mr. Dean was employed by Crescent Real Estate Equities Company, a real estate investment trust that was a New York Stock Exchange listed company during Mr. Dean's tenure at Crescent ("Crescent"). At Crescent, Mr. Dean served as Senior Vice President, Law, and Secretary from August 1994 to September 1999 when he became Senior Vice President, Law and Administration and Secretary, a position which he held until January 2001. From January 2001 to March 2005, Mr. Dean served as Executive Vice President, Law and Administration and Secretary of Crescent and its general partner. In March 2005, Mr. Dean's title changed to Managing Director, Law and Secretary of Crescent and its general partner, positions he held until leaving Crescent and its general partner in August 2007, when Crescent was acquired by affiliates of Morgan Stanley Real Estate. From 1992 until joining Crescent, he was an attorney for Burlington Northern Railroad Company ("BNRC"), serving as BNRC's Assistant General Counsel in 1994. From 1986 until joining BNRC in 1992, Mr. Dean was engaged in the private practice of law at the firms of Kelly, Hart & Hallman, and at Jackson Walker, L.L.P., both in Fort Worth, Texas, where he worked primarily on acquisition, financing and venture capital transactions for Richard E. Rainwater and related investor groups.

During the past five years, Mr. Dean has been a director of the following privately-held companies (during the periods shown): TalentCircles, Inc. (August, 2011 to the present), S&R Online Strategies, Inc. (Sportal.com) (June, 2009 to the present), and Nelwood Corp. (Kuru shoes) (May, 2008 to the present).

None of the entities referred to in this item (b) with which Mr. Dean has been involved during the past five years is a parent, subsidiary or other affiliate of the Company.

c. The specific experience, qualifications, attributes and skills that Mr. Dean possesses that have led the Stockholder to the conclusion that Mr. Dean should serve as a director of the Company are the following:

i. Mr. Dean worked for Crescent, a real estate investment trust, and served as its general counsel for approximately 13 years, and as such was involved in the day to day operation of Crescent, which grew its assets from approximately $400 million to over $6 billion during Mr. Dean's tenure there. He also served on the investment committee of Crescent during that time, on which committee he helped make decisions relating to investments in real properties and developments. From January 2001 to March 2005, he was in charge of the administrative functions of Crescent. Crescent was involved in, among other businesses, the development, ownership and operation of office buildings, resort residential development and luxury resort and spa development, ownership and operation. He was responsible for all of the legal, tax and structuring aspects of Crescent's acquisitions, dispositions, workouts and finance transactions from 1994 until its sale in August 2007 to Morgan Stanley in a $6.5 billion transaction in which Mr. Dean played a significant active role.

ii. Mr. Dean holds a Juris Doctor (1986) and LLM in Taxation (1989) from Southern Methodist University School of Law. He graduated with honors from Texas A&M University in 1983.

iii. As a result of all of the experience described above, Mr. Dean has significant experience in assessing real estate portfolios, real estate developments, opportunities for and the risks of development of parcels of real estate development, the financing of real estate properties and developments, and the value of real properties. He also has significant experience with respect to the day-to-day operations of and the financing of real estate operations and in assessing the risks of real estate operations. In addition, as the general counsel of Crescent when it was sold to affiliates of Morgan Stanley Real Estate, Mr. Dean has experience with the sale of a publicly traded real estate company. As the general counsel of a publicly traded real estate company, he also has significant experience with corporate governance matters, including an understanding of the fiduciary duties and other responsibilities of directors of public companies, and complying with the disclosure requirements of the securities laws.

d. The term of office for which Mr. Dean would be a director of the Company if elected as a director of the Company at the Annual Meeting would be from the date of the Annual Meeting to the date of the third succeeding annual meeting of stockholders of the Company thereafter or such earlier date as Mr. Dean resigns, retires, or is removed as a director of the Company or dies or the Company amends its certificate of incorporation as amended and restated to date to change the term for which Mr. Dean would serve as a director of the Company if elected at the Annual Meeting.

e. Neither Mr. Dean nor any of his associates owns of record or beneficially (for purposes of paragraph (b) of Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") or for purposes of Section 16 of the Exchange Act and the rules under Section 16 of the Exchange Act (the "Section 16 Rules")) any securities issued by the Company or any of its parents or subsidiaries ("Company Securities"), except that Mr. Dean may be deemed to own a

total of 1,421,002 shares of Common Stock as a member of the group constituted by the Stockholder, Mr. Dean and the other Nominee, for purposes of Section 13(d) of the Exchange Act and the rules adopted under Section 13(d) of the Exchange Act and Mr. Dean and Mr. Berg have an agreement in principle pursuant to which Mr. Berg intends to sell to Mr. Dean approximately 45,000 shares of the Common Stock of the Company at a price of $18 per share. Except as noted above, Mr. Dean has not and, to his knowledge, none of his associates has beneficially owned, purchased or sold (for purposes of Section 16 and the Section 16 Rules) any Company Securities or any interest therein within the past two years. Mr. Dean has not loaned any shares of Common Stock or sold any shares of Common Stock short in a sale that has not closed out or borrowed any shares of Common Stock for purposes other than a short sale

f. Mr. Dean is not (and has not been for the past year) party to any contract, arrangement or understanding with any person with respect to any Company Securities except that Mr. Dean, the Stockholder and the other Nominee currently have an understanding regarding seeking, and are expected to enter into an agreement regarding the joint filing of Schedule 13D's for such parties in connection with seeking, to have Mr. Dean and the other Nominee elected as directors of the Company at the Annual Meeting and taking actions in connection necessary to achieve that goal, including the solicitation of proxies from stockholders of the Company and the coordination and oversight of communications by such persons with the Company and other persons relating to that goal and agreement in principle between Mr. Dean and Mr. Berg pursuant to which Berg intends to sell to Mr. Dean approximately 45,000 shares of Common Stock of the Company at a price of $18 per share. Mr. Dean does not have, and none of his associates have, any arrangement or understanding with any person with respect to future employment by the Company or its affiliates or with respect to any future transactions to which the Company will or may be a party except that it is understood that, consistent with his fiduciary duties as a director of the Company, Mr. Dean will objectively and fully consider and assess the possibility of the sale or merger of the Company and any offer to purchase the Company as a means for maximizing stockholder value for all of the stockholders of the Company. Other than his own election and the interests of the Stockholder in seeking to have a transaction engaged in by the Company, Mr. Dean has no interest, direct or indirect, in any matter to be acted upon at the Annual Meeting, assuming that the matters are of the same type as those matters that were acted upon at the Company's annual meeting of stockholders held on May 8, 2015.

g. There are no relationships by blood, marriage or adoption (not more remote than first cousin) between Mr. Dean and any other director or executive officer of the Company, or any person nominated or chosen to become a director or an executive officer of the Company.

h. During the past ten years, Mr. Dean (and for purposes of Item 401(f)(1) of Regulation S-K under the Exchange Act, any partnership, corporation or business association of the type described in such item) has not been involved in any event or proceeding of any type described in Item 401(f) of Regulation S-K under the Exchange Act. None of Mr. Dean, the Stockholder, the other Nominee and their respective associates (as defined in Rule 14a-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) is a party adverse to the Company or any of its subsidiaries in any material proceeding, has a material interest adverse to the Company or any of its subsidiaries in any material proceeding or is a party or a material participant in any material pending or threatened legal proceeding involving the Company, any of its executive officers or directors or any affiliate of the Company. During the past ten years, Mr. Dean has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

i. Except as disclosed in this Notice, Mr. Dean has no direct or indirect material interest in any contract or agreement between the Stockholder or any of Mr. Dean, the Stockholder, the other Nominee, and/or the Company or any affiliate of the Company (including any employment agreement, collective bargaining agreement, or consulting agreement).

j. Except as disclosed in this Notice, there is no other material relationship between any of Mr. Dean, the Stockholder or the other Nominee and/or the Company or any affiliate of the Company that has not otherwise been disclosed to the Company.

k. Based on the criteria for independence set forth in the Company's proxy statement for the 2015 annual meeting of stockholders of the Company and in Rule 10A-3(b)(1)(ii) under the Exchange Act and the independence criteria of the listing standards and rules for companies with equity securities listed for trading on the NASDAQ Stock Market applicable to the Company, the Stockholder believes that if elected to serve, Mr. Dean would be an independent director of the Company.

l. Since the beginning of the Company's last fiscal year, there has not been any transaction, series of similar transactions, currently proposed transaction, or currently proposed series of similar transactions, in which the Company or any of its subsidiaries was or is to be a participant and the amount involved exceeds $120,000, and in which Mr. Dean, his associates or any member of his immediate family, had or will have a direct or indirect material interest.

For purposes of this item (l), (i) "immediate family" has the meaning ascribed to it by Instruction 1.a.iii. to Item 404(a) of Regulation S-K under the Exchange Act, and (ii) "associate" has the meaning ascribed to it by Rule 14a-1(a) under the Exchange Act.

m. Mr. Dean consents to being submitted by the Stockholder as a nominee for election as a director of the Company, to being named in a proxy statement, including the Company's proxy statement, and a proxy, including the Company's proxy, as a nominee for election as a director of the Company at the Annual Meeting, and to serve as a director of the Company and on the Board if elected. Mr. Dean's written consent in these regards is attached to the Notice as Exhibit 2A. Mr. Dean would be indemnified under the Company's Certificate of Incorporation and Bylaws for his service as a director of the Company should he be elected to the Board. Other than as set forth in this Notice, there are no arrangements or understandings between Mr. Dean and any other person pursuant to which he was selected as a nominee for director.

n. Any web site address on which the Stockholder or Mr. Dean, the Stockholder and the other Nominee may publish materials to solicit proxies in connection with the election of Mr. Dean as a director of the Company, if any, is not known at this time. The Stockholder undertakes to supply to the Company any such web site address if and when it becomes known to the Stockholder.

Nominee: Michael Knapp

a. The Stockholder's first nominee is Mr. Michael Knapp ("Mr. Knapp"), who was born on June 26, 1962, is 53 years old and is a citizen of the United States. His business address is 10050 Bandley Drive, Cupertino, CA 95014, and his telephone number is (408) 725-0700.

b. Mr. Knapp's current principal employment is as the manager of Berg & Berg Enterprises, LLC, an investment and real estate development company, and its predecessor company, Berg & Berg Enterprises, Inc. Mr. Knapp has served in that position since 1994. During the period from 1997 through December, 2012, Mr. Knapp served as a director from September 2, 1997 to March 30, 1998, and as Director of Operations and Director of Tax from 1999 to 2012 of Mission West Properties, Inc., a corporation qualified as a real estate investment trust, shares of which were listed for trading on the NASDAQ Stock Market ("Mission West"). Mission West sold its assets and was liquidated in December 2012. Mr. Knapp was the chief accounting officer of the Wooditch Company, a commercial insurance broker, from 1993 until joining Berg & Berg Enterprises, Inc. From 1988 to December 1992, Mr. Knapp served in the positions of president, chief financial officer and other executive positions at The Fairway Land Company, a real estate and country club developer located in San Juan Capistrano, California, which completed its development in 1992. From 1986 to 1988 Mr. Knapp was a staff auditor with Arthur Young who was succeeded by Ernst & Young LLP.

During the past five years, Mr. Knapp has been a director of the following companies (during the periods shown): Mission West Properties, Inc., September 2, 1997 to March 30, 1998. None of the entities referred to in this item (b) with which Mr. Knapp has been involved during the past five years is a parent, subsidiary or other affiliate of the Company.

c. The specific experience, qualifications, attributes and skills that Mr. Knapp possesses that have led the Stockholder to the conclusion that Mr. Knapp should serve as a director of the Company are the following:

i. Mr. Knapp has been the manager of a company engaged in the venture capital investments and the development of real estate for approximately the last 17 years. In that position, he has been responsible for the oversight and manager of numerous real estate investments and developments, including commercial research & development properties as well as residential properties.

ii. Mr. Knapp also held a number of positions with Mission West, a real estate investment and development company, including being a director of Mission West for less than one year and being the director of Mission West's operations for 13 years.

iii. As a result of all of the experience described above, Mr. Knapp has significant experience in assessing real estate portfolios, real estate developments, opportunities for and the risks of development of parcels of real estate development, the financing of real estate properties and developments, and the value of real properties. He also has significant experience with respect to the day-to-day operations of and the financing of real estate operations and in assessing the risks of real estate operations. As a director of Mission West, a publicly traded real estate company, he also has significant experience with corporate governance matters, including an understanding of the fiduciary duties and other responsibilities of directors of public companies.

d. The term of office for which Mr. Knapp would be a director of the Company if elected as a director of the Company at the Annual Meeting would be from the date of the Annual Meeting to the date of the third succeeding annual meeting of stockholders of the Company thereafter or such earlier date as Mr. Knapp resigns, retires, or is removed as a director of the Company or dies or the Company amends its certificate of incorporation as amended and restated to date to change the term for which Mr. Knapp would serve as a director of the Company if elected at the Annual Meeting.

e. Neither Mr. Knapp nor any of his associates owns of record or beneficially (for purposes of paragraph (b) of Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") or for purposes of Section 16 of the Exchange Act and the rules under Section 16 of the Exchange Act (the "Section 16 Rules")) any securities issued by the Company or any of its parents or subsidiaries ("Company Securities"), except that Mr. Knapp may be deemed to own a total of 1,421,002 shares of Common Stock as a member of the group constituted by the Stockholder, Mr. Knapp and the other Nominee, for purposes of Section 13(d) of the Exchange Act and the rules adopted under Section 13(d) of the Exchange Act. Mr. Knapp has not and, to his knowledge, none of his associates has beneficially owned, purchased or sold (for purposes of Section 16 and the Section 16 Rules) any Company Securities or any interest therein within the past two years. Mr. Knapp has not loaned any shares of Common Stock or sold any shares of Common Stock short in a sale that has not closed out or borrowed any shares of Common Stock for purposes other than a short sale.

f. Mr. Knapp is not (and has not been for the past year) party to any contract, arrangement or understanding with any person with respect to any Company Securities except that Mr. Knapp, the Stockholder and the other Nominee currently have an understanding regarding seeking, and are expected to enter into an agreement regarding the joint filing of Schedule 13D's for such parties in connection with seeking, to have Mr. Knapp and the other Nominee elected as directors of the Company at the Annual Meeting and taking actions in connection necessary to achieve that goal, including the solicitation of proxies from stockholders of the Company and the coordination and oversight of communications by such persons with the Company and other persons relating to that goal. Mr. Knapp does not have, and none of his associates have, any arrangement or understanding with any person with respect to future employment by the Company or its affiliates or with respect to any future transactions to which the Company will or may be a party except that it is understood that, consistent with his fiduciary duties as a director of the Company, Mr. Knapp will objectively and fully consider and assess the possibility of the sale or merger of the Company and any offer to purchase the Company as a means for maximizing stockholder value for all of the stockholders of the Company. Other than his own election and the interests of the Stockholder in seeking to have a transaction engaged in by the Company, Mr. Knapp has no interest, direct or indirect, in any matter to be acted upon at the Annual Meeting, assuming that the matters are of the same type as those matters that were acted upon at the Company's annual meeting of stockholders held on May 8, 2015.

g. There are no relationships by blood, marriage or adoption (not more remote than first cousin) between Mr. Knapp and any other director or executive officer of the Company, or any person nominated or chosen to become a director or an executive officer of the Company.

h. During the past ten years, Mr. Knapp (and for purposes of Item 401(f)(1) of Regulation S-K under the Exchange Act, any partnership, corporation or business association of the type described in such item) has not been involved in any event or proceeding of any type described in Item 401(f) of Regulation S-K under the Exchange Act. None of Mr. Knapp, the Stockholder, the other Nominee and their respective associates (as defined in Rule 14a-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) is a party adverse to the Company or any of its subsidiaries in any material proceeding, has a material interest adverse to the Company or any of its subsidiaries in any material proceeding or is a party or a material participant in any material pending or threatened legal proceeding involving the Company, any of its executive officers or directors or any affiliate of the Company. During the past ten years, Mr. Knapp has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

i. Except as disclosed in this Notice, Mr. Knapp has no direct or indirect material interest in any contract or agreement between the Stockholder or any of Mr. Knapp, the Stockholder, the other Nominee, and/or the Company or any affiliate of the Company (including any employment agreement, collective bargaining agreement, or consulting agreement). Mr. Knapp is employed by, and is the manager of, Berg & Berg Enterprises, LLC (the successor to Berg & Berg Enterprises, Inc.). Mr. Knapp has held that position since 1994. Berg & Berg Enterprises, LLC is primarily owned by and primarily controlled by Carl E. Berg.

j. Except as disclosed in this Notice, there is no other material relationship between any of Mr. Knapp, the Stockholder or the other Nominee and/or the Company or any affiliate of the Company that has not otherwise been disclosed to the Company.

k. Based on the criteria for independence set forth in the Company's proxy statement for the 2015 annual meeting of stockholders of the Company and in Rule 10A-3(b)(1)(ii) under the Exchange Act and the independence criteria of the listing standards and rules for companies with equity securities listed for trading on the NASDAQ Stock Market applicable to the Company, the Stockholder believes that if elected to serve, Mr. Knapp would be an independent director of the Company.

l. Since the beginning of the Company's last fiscal year, there has not been any transaction, series of similar transactions, currently proposed transaction, or currently proposed series of similar transactions, in which the Company or any of its subsidiaries was or is to be a participant and the amount involved exceeds $120,000, and in which Mr. Knapp, his associates or any member of his immediate family, had or will have a direct or indirect material interest.

For purposes of this item (l), (i) "immediately family" has the meaning ascribed to it by Instruction 1.a.iii. to Item 404(a) of Regulation S-K under the Exchange Act, and (ii) "associate" has the meaning ascribed to it by Rule 14a-1(a) under the Exchange Act.

m. Mr. Knapp consents to being submitted by the Stockholder as a nominee for election as a director of the Company, to being named in a proxy statement, including the Company's proxy statement, and a proxy, including the Company's proxy, as a nominee for election as a director of the Company at the Annual Meeting, and to serve as a director of the Company and on the Board if elected. Mr. Knapp's written consent in these regards is attached to the Notice as Exhibit 2B. Mr. Knapp would be indemnified under the Company's certificate of incorporation or Bylaws for his service as a director of the Company should he be elected to the Board. Other than as set forth in this Notice, there are no arrangements or understandings between Mr. Knapp and any other person pursuant to which he was selected as a nominee for director.

n. Any web site address on which the Stockholder or Mr. Knapp, the Stockholder and Mr. Knapp may publish materials to solicit proxies in connection with the election of Mr. Knapp as a director of the Company, if any, is not known at this time. The Stockholder undertakes to supply to the Company any such web site address if and when it becomes known to the Stockholder.

Each of the Nominees, as a member of a "group" for the purposes of Section 13(d)(3) of the Exchange Act, may be deemed to beneficially own the shares of Common Stock owned in the aggregate by the other members of the group. Each of the Nominees disclaims beneficial ownership of such shares of Common Stock, except to the extent of his pecuniary interest therein.

Each of the Nominees has consented to be named as a Nominee in this Notice, to be named as a Nominee in any proxy statement filed by the Stockholder or his affiliates and to serve as a director of the Company, if so elected (each, a "Consent" and collectively, the "Consents"). Such Consents are attached hereto as Exhibit 2A and Exhibit 2B.

Except as set forth in this Notice (including the Exhibits hereto), (i) during the past 10 years, no Nominee has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors); (ii) no Nominee directly or indirectly beneficially owns any securities of the Company; (iii) no Nominee owns any securities of the Company which are owned of record but not beneficially; (iv) no Nominee has purchased or sold any securities of the Company during the past two years; (v) no part of the purchase price or market value of the securities of the Company owned by any Nominee is represented by funds borrowed or otherwise obtained for the purpose of acquiring or holding such securities; (vi) no Nominee is, or within the past year was, a party to any contract, arrangements or understandings with any person with respect to any securities of the Company, including, but not limited to, joint ventures, loan or option arrangements, puts or calls, guarantees against loss or guarantees of profit, division of losses or profits, or the giving or withholding of proxies; (vii) no associate of any Nominee owns beneficially, directly or indirectly, any securities of the Company; (viii) no Nominee owns beneficially, directly or indirectly, any securities of any parent or subsidiary of the Company; (ix) no Nominee or any of his associates was a party to any transaction, or series of similar transactions, since the beginning of the Company's last fiscal year, or is a party to any currently proposed transaction, or series of similar transactions, to which the Company or any of its subsidiaries was or is to be a party, in which the amount involved exceeds $120,000; (x) no Nominee or any of his associates has any arrangement or understanding with any person with respect to any future employment by the Company or its affiliates, or with respect to any future transactions to which the Company or any of its affiliates will or may be a party; (xi) no Nominee has a substantial interest, direct or indirect, by securities holdings or otherwise in any matter to be acted on at the Annual Meeting; (xii) no Nominee holds any positions or offices with the Company; (xiii) no Nominee has a family relationship with any director, executive officer, or person nominated or chosen by the Company to become a director or executive officer and (xiv) no companies or organizations, with which any of the Nominees has been employed in the past five years, is a parent, subsidiary or other affiliate of the Company. There are no material proceedings to which any Nominee or any of his associates is a party adverse to the Company or any of its subsidiaries or has a material interest adverse to the Company or any of its subsidiaries. With respect to each of the Nominees, none of the events enumerated in Item 401(f)(1)-(8) of Regulation S-K of the Exchange Act occurred during the past ten years.

The Stockholder believes that each Nominee presently is, and if elected as a director of the Company, each of the Nominees would be, an "independent director" within the meaning of (i) applicable NASDAQ Stock Market ("NASDAQ") listing standards applicable to board composition, and (ii) Section 301 of the Sarbanes-Oxley Act of 2002. No Nominee is a member of the Company's compensation, nominating or audit committee that is not independent under any such committee's applicable independence standards.

Other than as disclosed in this Notice, there are no agreements, arrangements or understandings between the Stockholder and his affiliates and associates, and the Nominees or any other person or persons pursuant to which the nominations described herein are to be made and the Stockholder and his affiliates and associates have no material interest in such nomination, including any anticipated benefit therefrom to the Stockholder or any of his affiliates or associates.

Exhibit 4

From: CEB

Sent: Friday, January 08, 2016 4:08 PM

To: Armstrong, Beau; James C. Leslie; Michael D. Madden; Charles W. Porter; James E. Joseph; John G. Wenker

Subject: Change of Control

TO: BOARD OF DIRECTORS OF STRATUS PROPERTIES

Re: Change of Control Agreement between Stratus Properties Inc. and William H. Armstrong III Gentlemen:

As you know, I am a long-time stockholder — and the largest stockholder — in Stratus. I sent each of you a letter dated December 19, 2015, outlining my concerns about Stratus.

Today, I have nominated two candidates for election to the Stratus Board of Directors at the 2016 Annual Meeting of Stockholders that is expected to occur in May. With my vigorous support behind them, I believe those candidates will have an excellent chance of replacing the current Class III directors whose terms expire at that Annual Meeting of Stockholders: Messrs. Armstrong and Porter.

In my December 19 letter, I pointed out the Change of Control Agreement referenced above, which expires March 31, 2016. The Board may be asked prior to March 31 or any time thereafter to approve the renewal or extension of that agreement, or enter into another similar agreement. As mentioned in my December letter, when that agreement (and the similar agreement Stratus has with Erin Pickens) comes up for renewal, the directors will have to assess whether renewing or extending those golden parachutes would be consistent with proper performance of their fiduciary duties and whether those golden parachutes would truly serve the best interests of all of the Stratus shareholders. As the largest shareholder, I can assure you that I strongly oppose any golden parachutes and I firmly believe a majority of shareholders would agree with me.

I am writing this letter to urge each director to take into consideration, in casting a vote on renewing Armstrong's Change of Control Agreement, whether it would be in the best interests of all of the Stratus shareholders and if it would be a waste of corporate assets to grant a rich golden parachute, or, for that matter, any golden parachute agreement, to an individual who, just a few weeks later, will likely be displaced from the board by a vote of the Stratus shareholders. As the largest shareholder, I believe most shareholders find the quality of Armstrong's stewardship of Stratus wholly unacceptable.

Sincerely,

Carl E. Berg

Phone: (408) 725-0700 x1

Cell: (408) 455-0670

Exhibit 5

JOINT FILING AND SOLICITATION AGREEMENT

THIS AGREEMENT (this "Agreement") is made and entered into as of January 14, 2016, by and among (1) Carl E. Berg and (2) David Dean and Michael Knapp (Messrs. Dean and Knapp), collectively the "Nominees" and, such Nominees together with Carl E. Berg, the "Parties" and each, a "Party").

WHEREAS, certain of the Parties are stockholders, direct or beneficial, of Stratus Properties Inc., a Delaware corporation (the "Company"); and

WHEREAS, the Parties wish to work cooperatively for the purpose of (i) seeking the election of the Nominees to the Board of Directors of the Company (the "Board") at the 2016 annual meeting of stockholders of the Company (including any other meeting of stockholders held in lieu thereof, and any adjournments, postponements, reschedulings or continuations thereof (the "2016 Annual Meeting")), and (ii) taking all other actions that the Parties deem necessary to achieve the foregoing.

NOW, IT IS AGREED, this 14th day of January 2016, by the Parties hereto:

2. In accordance with Rule 13d-1(k)(1)(iii) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), each of the undersigned agrees to the joint filing on behalf of each of them of statements on Schedule 13D, and any amendments thereto, with respect to the securities of the Company. Each of the Parties shall be responsible for the accuracy and completeness of his own disclosure therein, and is not responsible for the accuracy and completeness of the information concerning any other member, unless such member has actual knowledge that such information is inaccurate. Carl E. Berg or his representative shall use its commercially reasonable efforts to provide each member of the Parties with copies of all Schedule 13D filings and other public filings to be filed on behalf of such member at least six (6) hours prior to the filing or submission thereof.

3. While this Agreement is in force, (i) no Nominee shall engage in any transaction in securities of the Company without the prior consent of Carl E. Berg and (ii) each Nominee shall provide written notice to either Carl E. Berg or Andrews Kurth LLP ("AK LLP") of any of his purchases or sales of securities of the Company or any securities of the Company over which he acquires or disposes of beneficial ownership, in each case no later than six (6) hours after each such transaction. For purposes of this Agreement, the term "beneficial ownership" with respect to securities shall mean having the sole or shared power to determine how such securities shall be voted or sole or shared dispositive power over the securities.

4. The Parties agree to act together and cooperatively for the purposes of (i) seeking the election of the Nominees to the Board at the 2016 Annual Meeting, and (ii) taking all other action that the Parties deem necessary to achieve the foregoing.

5. Carl E. Berg agrees to directly pay all expenses incurred in connection with the Parties' activities set forth in Section 3 on the date hereof. Any expenses expected to be incurred by any Nominee in connection with the Parties' activities that such Nominee intends to submit for reimbursement by Carl E. Berg shall first be pre-approved by Carl E. Berg.

6. The Parties agree that Carl E. Berg shall be the primary decision maker with respect to the content and timing of public or private communications and negotiating positions taken on behalf of the Parties other than the Nominees in their capacity as directors of the Company if elected as directors of the Company and any SEC filing, press release, communication to the Company or communication to the media proposed to be made or issued by the Parties or any member thereof in connection with the Parties' activities set forth in Section 3 shall be first approved by Carl E. Berg; *provided* that in no event shall the foregoing provision limit or otherwise restrict any Nominee elected as a director of the Company from exercising his discretion and judgment and fulfilling his fiduciary duties in his capacity as a director of the Company if elected as a director of the Company. Any Nominee that intends to engage in any communications with other stockholders or the Company on behalf of the Parties or any of them shall first provide Carl E. Berg with reasonable notice of such communication and a reasonable opportunity to review and comment to the extent it is a written communication. Each Nominee shall have a reasonable opportunity to review and comment upon any such SEC filing, press release or written communication with respect to the Parties' activities. The Parties hereby agree to work in good faith to resolve any disagreement that may arise between or among any of the members of the Parties concerning decisions to be made, actions to be taken or statements to be made in connection with the Parties' activities. Notwithstanding anything in this Agreement to the contrary, no Nominee serving as a director of the Company and acting in his capacity as a director of the Company shall have any obligation to vote on, approve, disapprove, support or oppose any matter coming before the Board or any committee of the Board as directed by any other Party and nothing in this Agreement shall limit or otherwise restrict the free exercise by a Nominee serving as, and acting in his capacity as, a director of the Company of his discretion and judgment or discharging his fiduciary duties as a director of the Company in such manner as he deems appropriate or as required by law.

7. The relationship of the Parties hereto shall be limited to carrying on the activities of the Parties conducted pursuant to and in accordance with the terms of this Agreement. Such relationship shall be construed and deemed to be for the sole and limited purpose of carrying on such activities as described herein. Nothing herein shall be construed to authorize any Party to act as an agent for any other Party, or to create a joint venture or partnership. Except as specifically provided in this Agreement, nothing herein shall restrict any Party's right to purchase or sell securities of the Company, as he deems appropriate, in his sole discretion, provided that all such sales are made in compliance with all applicable securities laws and the provisions of this Agreement.

8. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one (1) counterpart.

9. In the event of any dispute arising out of the provisions of this Agreement or their investment in the Company, the Parties hereto consent and submit to the exclusive jurisdiction of the United States District Court for the Northern District of California located in the City of San José, California, or the courts of the State of California located in the Santa Clara County, California.

10. Any Party hereto may terminate its obligations under this Agreement on twenty-four (24) hours' prior written notice to all other Parties, with a copy by fax to Joe Hoffman at AK LLP, Fax No. 214-659-4861.

11. Each party acknowledges that AK LLP shall act as counsel for the Parties acting in concert regarding the activities of the Parties pursuant to this Agreement and in connection with the purposes of the Parties as described herein, but shall not be counsel of either of the Nominees for any other purpose or in their individual capacities.

12. The terms and provisions of this Agreement may not be modified, waived or amended without the prior written consent of each Party.

13. Each Party hereby agrees that this Agreement shall be filed as an exhibit to a Schedule 13D pursuant to Rule 13d-1(k)(1)(iii) under the Exchange Act.

(Signature page follows)

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date first written above.

/s/ Carl E. Berg
Carl E. Berg

/s/ David Dean
David Dean

/s/ Michael Knapp
Michael Knapp