

STRATUS PROPERTIES INC
Form 8-K
July 25, 2006

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 19, 2006

Stratus Properties Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other
jurisdiction of
incorporation)

0-19989
(Commission File
Number)

72-1211572
(IRS Employer
Identification
Number)

98 San Jacinto Blvd., Suite 220
Austin, Texas
(Address of principal executive offices)

78701
(Zip Code)

Registrant's telephone number, including area code: (512) 478-5788

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

Effective July 19, 2006, Stratus Properties Inc. ("Stratus") entered into a Modification and Extension Agreement ("Agreement") of the Loan Agreement by and among (1) Stratus Properties Operating Co., L.P., Circle C Land, L.P.,

Austin 290 Properties, Inc., Calera Court, L.P., all of which are wholly owned subsidiaries of the Company and (2) Comerica Bank ("Comerica"). The Agreement extends the maturity date from May 30, 2007, to May 30, 2008. In addition, the interest rate applicable to amounts borrowed under the Loan Agreement is decreased to an annual rate of either the base rate minus 0.8% with a minimum interest rate of 5.0% or the LIBOR rate plus 1.95% with a minimum interest rate of 5%. The maximum amount available to Stratus under the revolving credit facility remains \$45 million. A copy of the Agreement is attached hereto as Exhibit 10.1.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibit

The Exhibit included as part of this Current Report is listed in the attached Exhibit Index.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Stratus Properties Inc.

By: /s/ John E. Baker

John E. Baker
Senior Vice President and
Chief Financial Officer
(authorized signatory and
Principal Financial Officer)

Date: July 25, 2006

Stratus Properties Inc.
Exhibit Index

Exhibit
Number

10.1 Modification and Extension Agreement by and between Stratus Properties Inc., Stratus Properties Operating Co., L.P., Circle C Land, L.P., Austin 290 Properties, Inc., Calera Court, L.P., and Comerica Bank effective July 19, 2006.