

STRATUS PROPERTIES INC
Form SC 13G/A
February 17, 2009

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

SCHEDULE 13G

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

STRATUS PROPERTIES INC.
(Name of Issuer)

Common Stock, \$0.01 par value per share
(Title of Class of Securities)

863167201
(CUSIP Number)

December 31, 2008
(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
 Rule 13d-1(c)
 Rule 13d-1(d)

* 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 the disclosures provided in a prior cover page.

The information required in 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).

Continued on following pages

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Exhibit Index: Page 13

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CUSIP No.: 863167201

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1. Names of Reporting Persons.

CLIFFWOOD PARTNERS LLC

I.R.S. Identification Nos. of above persons (entities only): 95-4648555

2. Check the Appropriate Box if a Member of a Group

(a) [X]

(b) []

3. SEC Use Only

4. Citizenship or Place of Organization

Delaware

Number of	5.	Sole Voting Power	0
Shares	6.	Shared Voting Power	267,059
Beneficially	7.	Sole Dispositive Power	0
Owned by Each	8.	Shared Dispositive Power	267,059
Reporting			
Person With			

9. Aggregate Amount Beneficially Owned by Each Reporting Person

267,059

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares

[]

11. Percent of Class Represented by Amount in Row (9)

3.5% based on 7,635,316 shares outstanding as of July 31, 2008.

12. Type of Reporting Person

IA

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1. Names of Reporting Persons.

CLIFFWOOD VALUE EQUITY FUND, L.P.

I.R.S. Identification Nos. of above persons (entities only): 95-4817104

2. Check the Appropriate Box if a Member of a Group

(a) [X]

(b) []

3. SEC Use Only

4. Citizenship or Place of Organization

Delaware

Number of	5.	Sole Voting Power	0
Shares	6.	Shared Voting Power	267,059
Beneficially	7.	Sole Dispositive Power	0
Owned by Each	8.	Shared Dispositive Power	267,059

Reporting
Person With

9. Aggregate Amount Beneficially Owned by Each Reporting Person

267,059

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares

[]

11. Percent of Class Represented by Amount in Row (9)

3.5% based on 7,635,316 shares outstanding as of July 31, 2008.

12. Type of Reporting Person

PN

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CUSIP No.: 863167201

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1. Names of Reporting Persons.

CLIFFWOOD VALUE PLUS FUND, L.P.

I.R.S. Identification Nos. of above persons (entities only): 20-4368661

2. Check the Appropriate Box if a Member of a Group

(a) [X]

(b) []

3. SEC Use Only

4. Citizenship or Place of Organization

Delaware

Number of	5.	Sole Voting Power	0
Shares	6.	Shared Voting Power	267,059
Beneficially	7.	Sole Dispositive Power	0
Owned by Each	8.	Shared Dispositive Power	267,059
Reporting			
Person With			

9. Aggregate Amount Beneficially Owned by Each Reporting Person

267,059

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares

[]

11. Percent of Class Represented by Amount in Row (9)

3.5% based on 7,635,316 shares outstanding as of July 31, 2008.

12. Type of Reporting Person

PN

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1. Names of Reporting Persons.

CLIFFWOOD ABSOLUTE RETURN STRATEGY, LTD.

I.R.S. Identification Nos. of above persons (entities only): N/A

2. Check the Appropriate Box if a Member of a Group

(a) (b)

3. SEC Use Only

4. Citizenship or Place of Organization

Cayman Islands, British West Indies

Number of	5.	Sole Voting Power	0
Shares	6.	Shared Voting Power	267,059
Beneficially	7.	Sole Dispositive Power	0
Owned by Each	8.	Shared Dispositive Power	267,059

Reporting
Person With

9. Aggregate Amount Beneficially Owned by Each Reporting Person

267,059

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares

11. Percent of Class Represented by Amount in Row (9)

3.5% based on 7,635,316 shares outstanding as of July 31, 2008.

12. Type of Reporting Person

OO

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CUSIP No.: 863167201

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1. Names of Reporting Persons.

CLIFFWOOD ABSOLUTE RETURN STRATEGY, L.P.

I.R.S. Identification Nos. of above persons (entities only): 95-4789951

2. Check the Appropriate Box if a Member of a Group

(a) (b)

3. SEC Use Only

4. Citizenship or Place of Organization

Delaware

Number of	5.	Sole Voting Power	0
Shares	6.	Shared Voting Power	267,059
Beneficially	7.	Sole Dispositive Power	0
Owned by Each	8.	Shared Dispositive Power	267,059

Reporting
Person With

9. Aggregate Amount Beneficially Owned by Each Reporting Person

267,059

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares

11. Percent of Class Represented by Amount in Row (9)

3.5% based on 7,635,316 shares outstanding as of July 31, 2008.

12. Type of Reporting Person

PN

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1. Names of Reporting Persons.

CLIFFWOOD VALUE EQUITY / WB FUND, L.P.

I.R.S. Identification Nos. of above persons (entities only): 20-3036834

2. Check the Appropriate Box if a Member of a Group

(a) (b)

3. SEC Use Only

4. Citizenship or Place of Organization

Delaware

Number of	5.	Sole Voting Power	0
Shares	6.	Shared Voting Power	267,059
Beneficially	7.	Sole Dispositive Power	0
Owned by Each	8.	Shared Dispositive Power	267,059

Reporting
Person With

9. Aggregate Amount Beneficially Owned by Each Reporting Person

267,059

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares

11. Percent of Class Represented by Amount in Row (9)

3.5% based on 7,635,316 shares outstanding as of July 31, 2008.

12. Type of Reporting Person

PN

Item 1(a). Name of Issuer:

Stratus Properties Inc. (the "Issuer")

Item 1(b). Address of Issuer's Principal Executive Offices:

98 San Jacinto Blvd.
Suite 220
Austin, Texas 78701

Item 2(a). Name of Person Filing

This Statement is filed on behalf of each of the following persons (collectively, the "Reporting Persons"):

- i) Cliffwood Partners LLC ("Cliffwood Partners");
- ii) Cliffwood Value Equity Fund, L.P. ("Cliffwood Value Equity Fund");
- iii) Cliffwood Value Plus Fund, L.P. ("Cliffwood Value Plus Fund");
- iv) Cliffwood Absolute Return Strategy, Ltd. ("Cliffwood Absolute Return Strategy (Cayman)");
- v) Cliffwood Absolute Return Strategy, L.P. ("Cliffwood Absolute Return Strategy"); and
- vi) Cliffwood Value Equity / WB Fund, L.P. ("Cliffwood Value Equity / WB Fund").

This Statement relates to Shares (as defined herein) that were held for the accounts of Cliffwood Value Equity Fund, Cliffwood Value Plus Fund, Cliffwood Absolute Return Strategy (Cayman), Cliffwood Absolute Return Strategy, Cliffwood Value Equity / WB Fund, Oregon Public Employees' Retirement Fund, Swarthmore College, The Common Fund and Guggenheim Trust Company. Cliffwood Partners serves as the general partner for each of Cliffwood Value Equity Fund, Cliffwood Value Plus Fund, Cliffwood Absolute Return Strategy (Cayman), Cliffwood Absolute Return Strategy and Cliffwood Value Equity / WB Fund.

Cliffwood Partners also serves as the investment manager to each of Cliffwood Value Equity Fund, Cliffwood Value Plus Fund, Cliffwood Absolute Return Strategy (Cayman), Cliffwood Absolute Return Strategy, Cliffwood Value Equity / WB Fund, Oregon Public Employees' Retirement Fund, Swarthmore College, The Common Fund and Guggenheim Trust

Company. In such capacities, Cliffwood Partners may be deemed to have voting and dispositive power over the shares held for the accounts of each of Cliffwood Value Equity Fund, Cliffwood Value Plus Fund, Cliffwood Absolute Return Strategy (Cayman), Cliffwood Absolute Return Strategy, Cliffwood Value Equity / WB Fund, Oregon Public Employees' Retirement Fund, Swarthmore College, The Common Fund and Guggenheim Trust Company.

Item 2(b). Address of Principal Business Office or, if one, Residence

The address of the principal business office of each of Cliffwood Partners, Cliffwood Value Equity Fund, Cliffwood Value Plus Fund, Cliffwood Absolute Return Strategy and Cliffwood Value Equity / WB Fund is 11726 San Vicente Boulevard, Suite 600, Los Angeles, California 90049. The address of the principal business office of Cliffwood Absolute Return Strategy (Cayman) is c/o CITCO Fund Services (Cayman Islands) Limited, P.O. Box 31106 SMB, Regatta Office Park, West Bay Road, Grand Cayman, Cayman Islands.

Item 2(c). Citizenship

- i) Cliffwood Partners is a Delaware limited liability company;
- ii) Cliffwood Value Equity Fund is a Delaware limited partnership;
- iii) Cliffwood Value Plus Fund is a Delaware limited partnership;
- iv) Cliffwood Absolute Return Strategy (Cayman) is a Cayman Islands exempted company;