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TRAVEL



For the cruise lover

By Carlos Antonio Rios

ZEST

THE OSCARS

- When: 7 tonight
- Where: ABC (Channel 13)

Hollywood's night to shine

See if your picks for tonight's 80th Academy Awards match those of our film critic.



STAR

City students hit the farm

Who says city kids can't cut it down on the farm? Some HISD campuses are offering hands-on experience to urban students. STORY ON PAGE G1



TSU's president calls for entrance standard
■ All applicants now accepted but a large majority fail to graduate

By **MATTHEW TRESAUGUE**
HOUSTON CHRONICLE

Texas Southern University's new president wants to end the school's longstanding practice of accepting all applicants, no matter their academic background, saying the policy contributes to its alarmingly low graduation rate.

BP'S TEXAS CITY REFINERY REMAINS DEADLIEST IN U.S.



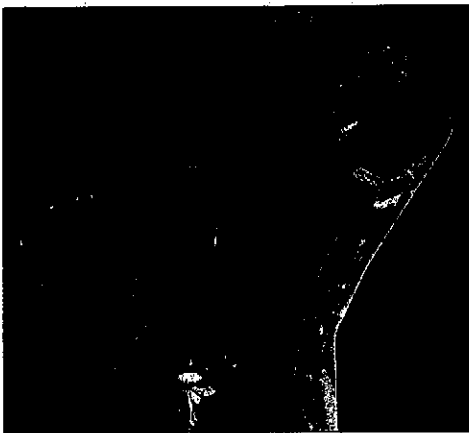
CARLOS ANTONIO RIOS: CHRONICLE FILE

Valobra hosts event for Nancy Owens Memorial Foundation

Valobra Jewelry and Antiques, an antique and jewelry store in Land Village, hosted an appreciation reception for the donors, sponsors and volunteers of the Nancy Owens Memorial Foundation on Jan. 30. The Foundation is organized primarily to fund one or more public charities that support education, care and research for breast cancer.



Amy Bernstein, co-director of Nancy Owens Memorial Foundation; Franco Valobra, owner of Valobra Jewelry and Antiques; and Dora Klaff, Komen Houston Affiliate president.



A Moorman and Wouter Devries.



Bibbi Anderson, Irby Rozelle and Robin Mueck.

REAL ESTATE LAW

Forced buy-sell provisions can break partners' deadlock



BRETT SLOBIN

Assume Bill and Ted formed a limited partnership to purchase land. Each owns a 50 percent interest in the limited partnership and they have always agreed on major issues in the past.

In the instant transaction, they have gone so far as to have the limited partnership purchase the land on which multifamily housing (the "Project") will be constructed. However, the housing market recently has slowed, and Bill no longer desires to have the risk associated with development of the Project.

On the contrary, Bill would rather sell the land quickly, at either a small profit or at a loss. But Ted thinks the profit potential of the Project outweighs the Project's risks. They disagree, neither willing to budge from his position.

What happens when two real estate partners who work together are unable to "get along" with each other, and are thus no longer able to pursue an agreed course of action?

It is recommended either Bill or Ted own more than a 50 percent interest in their limited partnership. If that was the case, then one of them would have had a majority interest, and the limited partnership agreement (the document drafted to govern their limited partnership) could have stated the majority in interest in own-

ership of the limited partnership would have the right to make major decisions.

Unfortunately, they each own the same amount of interest in their limited partnership and are therefore in a "deadlock." How can Bill and Ted resolve their deadlock? Typically, in order to resolve the deadlock, the limited partnership agreement would include a forced "buy-sell" provision. The forced "buy-sell" provision sets forth a method for resolving deadlocks between two partners.

The forced "buy-sell" provision is an action that affords either Bill or Ted, but not both, the right to continue his ownership of the limited partnership. Under the forced "buy-sell" provision, either Bill or Ted would have the right, perhaps at any time, to make an offer both to buy and to sell all ownership interests in the limited partnership.

For instance, the forced "buy-sell" provision would provide that either partner has the right to set forth a value for the limited partnership on the basis of which partner will either sell his interest in the limited partnership to the other partner or purchase the other partner's interest in the limited partnership, and the other partner has a specific period of time in which to choose whether to purchase or to sell.

Generally speaking, the forced "buy-sell" procedure ensures a fair result for each partner. This is because the partner who initiates the procedure is obliged to provide the most equitable price, otherwise the initiating partner risks having to sell his interest in the limited partnership at too low a price, or the initiating partner risks having to purchase the other partner's interest at too high a price. In the end, one partner will own the limited partnership, the other partner will walk away with money in his pocket, and the deadlock will be over.

Forced "buy-sell" provisions can be very complicated, and many factors may effect the implementation of the provision.

Without such a provision, the partners might be forced to go to the courthouse to resolve such a deadlock.

Brett L. Slobin is an attorney in the Houston law firm of Slobin & Slobin P.C., and he can be reached at bslobin@slobinlaw.com. His practice focuses on commercial and residential real estate. The information contained in this article is not intended as legal advice but to provide a general understanding of the law. Readers with legal problems, including those whose questions are addressed here, should consult attorneys for advice on their particular circumstances.

Heritage Texas Properties honors top producers for 2007

Heritage Texas Properties celebrated the achievements of its company and its agents at its annual breakfast and awards celebration on Feb. 1 at Houston Country Club. The ballroom was filled to capacity as the gathering brought her managers, agents and members from each of the

company's nine area offices.

Honoring the company top producers for their personal achievements throughout 2007 were chairman Lynn Zarr and president and CEO Robin Mueck.

Zarr opened the program by recognizing the company's management team, including

each of the senior vice presidents, vice presidents and division heads, thanking them for their hard work and leadership.

Mueck thanked the Heritage Texas Properties "family" for its dedication and achievements before delivering a state-of-the-industry address. She observed the Houston real estate market is off to a solid start in 2008.

As has become a Heritage Texas tradition, the awards were presided over by Mary Steele, senior vice president and director of professional development. Steele said 2007 provided much to commemorate.

Singled out for special merit were the company's Top Producers, Star Achievers, Rising Stars and Achievement Award winners from each office, as well as several special company-wide awards. Among those was the Top Lister Award, which went to Anita Pickett of the Memorial office, while the award for Most Closed Transactions went to Inner Loop office top producer Richard Ray.

Recognized as members of Leading Real Estate Companies of the World for outgoing relocation referrals were Jan Greer, Michelle Kearns and Donna Wilson, from the Inner Loop office, and Karen Martin and Honey Szallai from the Memorial office.



Heritage Texas Properties president and CEO Robin Mueck, left, and chairman Lynn Zarr congratulate top listing agent for 2007, Anita Pickett.

As a grand finale to these presentations, the company bestowed its company-wide Top 20 Producers honors.

Richard Ray of the Inner Loop Office was named Heritage Texas Properties' Overall Top Producer for achieving the greatest dollar volume in sales for 2007.

The remaining company-wide Top 20 Producers: Lynn Zarr Jr., Mary Kay Casey, Sarah Lee Marks, Jamie Barrere, Pat Raybon, Ann Knoche, Mark Ellis, Pam Hughes, Randall Doe,

Sheila Bourbeau, Donna Wilson, Kathleen Curlee, Pickett, Rebecca Morris, Terry Stanfield, Clarann McCoy, Jeffrey Kuchar, Ann Shepherd and Christine Duncan.

Company-wide Top Teams for 2007 were: Your Home Team (Sandy Reed, Betty Melton and Peggy Woelky); Sally and Bill Boone, Cinda and Fred Armstrong; the Gilmore Team (Arlene Gilmore and Melanie Sloan); and the Jackie Lahey Team (Jackie Lahey and Cathy Knecht).



Senior vice president Cheri Fama, left, and vice president of sales Sara Isaacks congratulate 2007 company-wide top producer Richard Ray.

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