

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Previously Owned Mortgage Partnerships I

93-02886

Name of Respondent

Raymond, James & Associates, Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on July 26, 1993, Claimant Previously Owned Mortgage Partnerships Income Fund I, through its Representative, C.E. Patterson, alleged that Respondent Raymond James & Associates, Inc. breached its contract with the Claimant when it canceled the Claimant's contract to purchase 35 units of limited partnership interest in Consolidated Capital Institutional Properties I. The Claimant further alleged on the day Respondent canceled the contract, Consolidated Capital made a tender offer for all units, and that following the tender offer, units were not available on the secondary market at prices less than \$225.00 per unit. The Claimant contended that since the price per unit at the time of contract was \$126.28, the Claimant was unable to obtain the profit to which it was entitled under the contract, and that therefore, Respondent Raymond, James & Associates, Inc. should be held liable in this matter.

Respondent Raymond, James and Associates, Inc., through its in-house counsel John Critchlow, Esq., St. Petersburg, FL, maintained that the transaction to buy the units was to be accomplished through the firm on an agency basis and this fact was communicated to the Claimant's representative. The Respondent also maintained that although it regrets that the buyer backed out of the transaction, it had no mechanism by which to control the actions of the seller and there is no mechanism it could have used to force the seller to complete the transaction; therefore, there is no basis on which it could be held responsible for the actions of the potential seller.

RELIEF REQUESTED

Claimant Previously Owned Mortgage Partnerships Income Fund I requested \$3,455.20 in actual damages, plus interest.

Respondent Raymond, James & Associates, Inc. requested that the claims of the Claimant be dismissed.

AWARD


Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, John P. Sparrow, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on July 16, 1993 but not signed by the Respondent as required by Sections 12 & 13 of the NASD Code of Arbitration Procedure.

And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent Raymond, James & Associates, Inc. is liable and shall pay to Claimant Previously Owned Mortgage Partnerships Income Fund I \$3,455.20 in actual damages, plus simple interest at the rate of 10% per annum from October 26, 1992 until the date of payment of the award.
2. The parties shall bear their respective costs.
3. The \$125.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. Respondent Raymond, James & Associates, Inc. is liable and shall pay \$125.00 to the Claimant as reimbursement of the filing fee.

AFFIRMATION

I, JOHN P. SPARROW, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Signature of Arbitrator

DATE OF DECISION: May 26, 1994