

TEXAS LAWYER

\$8.3 Million Judgment Stings Cantey & Hanger

BY MARY HULL

A malpractice claim stemming from a 1985 land deal will cost Fort Worth's oldest and largest firm, 85-lawyer Cantey & Hanger, a total of \$8.3 million, a Tarrant County judge has ruled.

Prejudgment interest more than doubled the \$3.7 million a jury unanimously awarded in April to Dr. Manucher Nazarian, a Fort Worth heart surgeon who sued the firm over advice he received in a real estate transaction.

Nazarian named the firm and partners Jack Wessler and Estil Vance Jr. in his 1990 suit, claiming he lost \$3.4 million because he took their advice and failed to sell 328 acres of undeveloped land in western Tarrant County before

the Texas real estate market collapsed.

On Aug. 30, Judge Bruce Auld of the 352nd District entered judgment in *Manucher Nazarian v. Cantey & Hanger, et al.*, No. 352-129031-90, for \$8.3 million, finding that prejudgment interest began accruing June 15, 1985, the day the economic loss occurred.

Cantey & Hanger argued that prejudgment interest should have started accruing on July 9, 1990, six months after the suit was filed.

Auld ruled that the jury's verdict against Vance was not supported by the evidence and rendered a take-nothing judgment against him. The jury had found that negligence by Vance, a former Fort Worth city councilman, caused 5 percent of Nazarian's losses.

Defense counsel Jim Cowles, a name partner in Dallas' Cowles & Thompson, said Sept. 8 that Auld "was grossly in error in not granting" similar judgments for the other defendants. Cowles said an appeal will be filed if Auld does not grant a motion for new trial.

Nazarian's attorney, David Shuford of Dallas' Shuford & Associates, argued that Cantey & Hanger advised Nazarian he could keep the property even though his real estate partner, Jerry Thomas, wanted to sell.

After Thomas sued Nazarian, the surgeon hired Cantey & Hanger. Thomas then notified Nazarian that their partnership was dissolved — a move that Wessler advised Nazarian was not legal. Shuford argued the advice was incorrect, because

any partner can dissolve a partnership.

Nazarian said Wessler, who has retired from Cantey & Hanger, also told him the land could not be sold until the dispute between Nazarian and Thomas was resolved.

Cantey & Hanger managing partner Allan Howeth said the firm acted on Nazarian's vow to "never, under any circumstances, sell this land."

"He wanted us to bring suit against his partner so he could buy his partner out," Howeth said. "When the value of the land fell, he changed his mind. The court held that he nevertheless did have to buy him out. Now he gets another opportunity to change his mind and realize the value of the land as it existed in 1985, essentially in hindsight." ■