

New York Law Journal  
Volume 231  
Copyright 2004 ALM Properties, Inc. All rights reserved

Thursday, June 10, 2004

Legal\_Briefs

PRIEL V. HEBY

STATUTE OF FRAUDS DOES NOT BAR ORAL AGREEMENT FOR JOINT VENTURE DEALING  
WITH  
REALTY PURCHASES

NEW YORK

Business Law

Supreme Court IA Part 11

Justice Madden

THE PARTIES orally agreed to establish a joint venture to purchase foreclosed property for resale. They agreed to equally divide profits and losses. They subsequently signed a document that bore a partially handwritten provision professing agreement to equally share ownership of certain corporate real property assets after payment of defendant's income and expenses. Plaintiff opposed defendant's motion to dismiss the complaint-which sought a declaration of the joint venture - claiming that no agreement for a joint venture existed and that any oral agreement would be barred by the Statute of Frauds. The court dismissed plaintiff's claims for fraud and conversion only. Citing *Barash v. Estate of Sperlin*, it held that an oral joint venture dealing in real property is not rendered void by the Statute of Frauds because the interest of each joint venturer is deemed to be personalty. The court also ruled that the parties' written agreement did not supercede any separate oral agreement for a joint venture.

6/10/2004 NYLJ 17, (col. 1)