FOREIGN CLAIMS SETTLEMENT COMMISSION OF THE UNITED STATES WASHINGTON, D.C. 20579

IN THE MATTER OF THE CLAIM OF

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LORELOTT SIEGEL

Claim No. G-0504

Decision No. G-2773

Under the International Claims Settlement Act of 1949, as amended

PROPOSED DECISION

This claim in the amount of \$80,000.00 against the Government of the German Democratic Republic, under Title VI of the International Claims Settlement Act of 1949, as amended by Public Law 94-542 (90 Stat. 2509), is based upon the loss a mixed-used building in Magdeburg, German Democratic Republic.

The record indicates that claimant became a United States citizen on April 1, 1946.

Under section 602, Title VI of the Act the Commission is given jurisdiction as follows:

"The Commission shall receive and determine in accordance with applicable substantive law, including international law, the validity and amounts of claims by nationals of the United States against the German Democratic Republic, for losses arising as a result of the nationalization, expropriation, or other taking of (or special measures directed against) property, including any rights or interests therein, owned wholly or partially, directly or indirectly at the time by nationals of the United States whether such losses occurred in the German Democratic Republic or in East Berlin. ..."

The evidence of record in this claim establishes that claimant's father, Jacob Abrahamson, had owned an apartment building at Breiter Weg 146 in Magdeburg, Germany, which had had a store on the ground level rented to the F.W. Woolworth Company. Jacob Abrahamson, his wife, and a daughter died during World War II, leaving claimant LORELOTT SIEGEL as the only surviving member of the family. The record in this claim indicates that legal title to the subject property was originally lost during the Nazi regime as a result of racial and religious persecution. The Commission has held in the <u>Claim of MARTHA TACHAU</u>, Claim No. G-0177, Decision No. G-1071, that such persecutory losses will not be considered by the Commission to have cut off all rights of the original owners or their heirs, and that the persecuted owners retained a beneficial interest in the property.

The Commission has also held in the Claim of MARK PRICEMAN, Claim No. G-2116, Decision No. G-1073, that decrees of September 6, 1951, effective in the German Democratic Republic, and December 18, 1951, effective in Berlin, which provided for the taking over of the administration of foreign owned property, constituted a governmental program which terminated all rights of restitution of former persecutees or their heirs. The Commission found such a termination of rights to be a taking of the property interests of such persons; and, where the property interests were owned by United States nationals at the time of loss, the termination of rights would form the basis of a compensable claim. The Commission therefore finds that the beneficial interest in the property in Magdeburg was taken by the German Democratic Republic as of September 6, 1951. Claimant LORELOTT SIEGEL is therefore entitled to an award for this loss under section 602 of the Act.

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The evidence of record in this claim includes a report from the Commission's West German field office. Information obtained by the field office establishes that the building at Breiter Weg 146 in Magdeburg had been subject to war damage during World War II. As Public Law 94-542 does not authorize compensation due to war damage, the Commission is authorized to grant awards only for that property which survived the war and was taken by the German Democratic Republic. Accordingly, the Commission finds that the remaining property in Magdeburg had a value of \$50,000.00 on September 6, 1951, and LORELOTT SIEGEL is entitled to an award in that amount.

The Commission has concluded that in granting awards on claims under section 602 of Title VI of the Act, for the nationalization or other taking of property or interests therein, interest shall be allowed at the rate of 6% per annum from the date of loss to the date of settlement. (<u>Claim of GEORGE L</u>. ROSENBLATT, Claim No. G-0030, Decision No. G-0100 (1978)).

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AWARD

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Claimant, LORELOTT SIEGEL, is therefore entitled to an award in the amount of Fifty Thousand Dollars (\$50,000.00) plus interest at the rate of 6% simple interest per annum from September 6, 1951 until the date of the conclusion of an agreement for payment of such claims by the German Democratic Republic.

Dated at Washington, D.C. and entered as the Proposed Decision of the Commission.

NOV 191980

hard W. Yarborough, Chairman

Francis Jung,

Executive Director

NOTICE: Pursuant to the the Regulations of the Commission, if no objections are filed within 15 days after service or receipt of notice of this Proposed Decision, the decision will be entered as the Final Decision of the Commission upon the expiration of 30 days after such service or receipt of notice, unless the Commission otherwise orders. (FCSC Reg., 45 C.F.R. 531.5 (e) and (g), as amended.)