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

IN THE MATTER OF THE CLAIM OF

PAUL H. MEYER

Claim No. G-1409

Decision No. G-

No. G-2286

Under the International Claims Settlement Act of 1949, as amended

Hearing on the Record held on MAR 18 1981

FINAL DECISION

This claim in the amount of \$500,000.00 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 of a residence and office building at 70-71 Wilhelmstrasse in East Berlin.

By Proposed Decision dated June 4, 1980, the Commission granted to the claimant an award of \$11,000.00 based upon the loss of a one-sixth beneficial interest in the above property on December 18, 1951.

Claimant has objected to the Proposed Decision, on the ground that the interest on his award should be in the form of compound interest instead of simple interest, as was granted in the Proposed Decision.

The interest awards granted in the present claims program are stated in terms of simple interest in accordance with the Commission's decision in <u>Claim of GEORGE L. ROSENBLATT</u>, Claim No. G-0030, Decision No. G-0100 (1978). That decision, in turn, was based on the Commission's holding in <u>Claim of JOHN HEDIO PROACH</u>, Claim No. PO-3097, FCSC Dec. and Ann. 549 (1968), filed against the Government of Poland under Title I of the International Claims Settlement Act of 1949, as amended. In the <u>PROACH</u> decision the Commission concluded that such awards of interest represent an "appropriate, equitable, and just measure of compensation."

Claimant has submitted no evidence or argument which could serve as a basis for departing from the rule established in the above-cited decisions. The Commission therefore concludes that application of that rule in the Proposed Decision in his claim is appropriate and reasonable and a change in the Proposed Decision is not warranted.

Accordingly, the award granted in the Proposed Decision is restated below. In all respects, the Commission affirms the Proposed Decision as its final determination in this claim.

AWARD

Claimant, PAUL H. MEYER, is therefore entitled to an award in the amount of Eleven Thousand Dollars (\$11,000.00), plus interest at the rate of 6% simple interest per annum from December 18, 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 Final Decision of the Commission.

MAR 18 1981

his is a true and correct copy of the decision he Commission which was entered as the final cision on MAR 18 1981

Executive Director

Richard W. Yarborough, Rich Chairman

Francis L. Jung, ommissioner

2% Ralph W. Imerson, Commissioner

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PROPOSED DECISION

This claim in the amount of \$500,000.00 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 of a residence and office building at 70-71 Wilhelmstrasse in East Berlin.

The record indicates that claimant became a United States citizen on March 28, 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. ..." Based upon all the evidence of record, including evidence obtained by the Commission's field office in West Germany, the Commission finds that Hedwig Landau was the original owner of real property at 71 Wilhelmstrasse in East Berlin and that upon her death in 1943 her son, Hubert Jacob Landau, a United States national from July 13, 1944 until his death on March 20, 1967, succeeded to a one-half interest in the subject property. The Commission further finds that upon the death of Hubert Jacob Landau in Great Britain, claimant herein, PAUL H. MEYER, inherited a one-third interest in the estate of Hubert Jacob Landau, or a 1/6 interest in the claim for the loss of real property in East Berlin.

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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 taking over the administration of foreign owned property, and the decree of July 17, 1952, confiscating or taking under administration property of former residents of the GDR, constituted a governmental program which terminated all rights of restitution of former persecutees The Commission found such a termination of or their heirs. 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. Accordingly, the Commission finds that the beneficial interest in the subject property was taken by the German Democratic Republic on December 18, 1951.

At the time of filing the claimant stated that the subject real property had a value of \$500,000.00. The Commission notes, however, that evidence obtained by the Commission's field office in West Germany indicates that the improved real property in question had a pre-war tax assessed value of 555,300 reichsmarks and that the improvements to the property were destroyed during World War II. The Commission has no authority under the Act to grant awards for war damage losses. Therefore, based upon the foregoing, and taking into consideration the general increase in the value of real property in Eastern Europe after World War II, the Commission finds that the remaining land at 71 Wilhemstrasse in East Berlin had a value of \$66,000 on the date of loss and that PAUL H. MEYER is entitled to compensation under section 602 of the Act in the amount of \$11,000.00 for his one-sixth interest therein.

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. (Claim of GEORGE L. ROSENBLATT, Claim No. G-0030, Decision No. G-0100 (1978)).

Section 603 of Title VI of the Act, limits the Commission's jurisdiction as follows:

"A claim shall not be favorably considered under section 602 of this title unless the property right on which it is based was owned, wholly or partially, directly or indirectly, by a national of the United States on the date of loss, and if favorably considered, the claim shall be considered only if it has been held by one or more nationals of the United States continuously from the date that the loss occurred until the date of filing with the Commission."

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The Commission notes that, upon the death of Hedwig Landau in 1943, the other one-half interest in the property would have passed under the applicable law of intestacy to her daughter, Johanna Beatrice Meyer, who was not a United States national on the date of her death in 1966. Accordingly, the Commission finds that no award could be granted under Public Law 94-542 for the loss of this interest since it was not owned by a United States national at the time of taking. Similarly, the remaining twosixths interests owned by Hubert Jacob Landau were acquired by non-nationals of the United States upon his death in 1967 and could not have been continuously owned by a United States national from the date of loss until the date of filing as required for compensation.

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The Commission also notes that the claim was filed for the loss of property at 70-71 Wilhelmstrasse in East Berlin. However, the Commission finds that neither claimant nor the Commission's field office has been able to obtain evidence to establish that claimant or his predecessors in interest owned property located at 70 Wilhelmstrasse in East Berlin. Accordingly, any claim based thereon must be and it is hereby denied.

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AWARD

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Claimant, PAUL H. MEYER, is therefore entitled to an award in the amount of Evelen Thousand Dollars (\$11,000.00), plus interest at the rate of 6% simple interest per annum from December 18, 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.

JUN 41980

For Presentation to the Commission

by David H. Rogers, Director

German Democratic Republic Claims Division

NOTICE: Pursuant to the Regulations of the Commission, if no objections are filed within 15 days after service or receipt of notice of this Proposed Decision, a Final Decision based upon the Proposed Decision will be issued upon approval by the Commission any time after the expiration of the 30 day period following such service or receipt of notice. (FCSC Reg., 45 C.F.R. 531.5 (e) and (g), as amended.)

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