

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

IN THE MATTER OF THE CLAIM OF

ALICE ALKALAY

Claim No. Y2-1454

Decision No. Y2-1243

Under the Yugoslav Claims Agreement of 1964  
and Title I of the International Claims  
Settlement Act of 1949, as amended

PROPOSED DECISION

This claim, in the amount of \$25,568.00, is based upon the asserted ownership and loss of an interest in certain improved real property located in Zagreb and Sarajevo, Yugoslavia. Claimant, ALICE ALKALAY, has been a national of the United States since her naturalization on March 9, 1953.

Under Section 4(a) of Title I of the International Claims Settlement Act of 1949, as amended (64 Stat. 13 (1950), 22 U.S.C. §1623(a) (1964)), the Commission is given jurisdiction over claims of nationals of the United States included within the terms of the Yugoslav Claims Agreement of 1964, which provides, among other things:

Article I.(a) The Government of Yugoslavia agrees to pay and the Government of the United States agrees to accept, the sum of \$3,500,000 United States currency in full settlement and discharge of all pecuniary claims of nationals of the United States whether natural or juridical persons against the Government of Yugoslavia, on account of the nationalization and other taking of property and of rights and interests in and with respect to property which occurred between July 19, 1948 and the date of this Agreement.

Article II. The claims of nationals of the United States to which reference is made in Article I of this Agreement refer to claims which were owned by nationals of the United States on the date on which the property and rights and interests in and with respect to property on which they are based was nationalized or taken by the Government of Yugoslavia and on the date of this Agreement.

(Agreement between the Government of the United States and the Government of the Socialist Federal Republic of Yugoslavia Regarding Claims of United States Nationals, November 5, 1964, [1965] 16 U.S.T. 1, T.I.A.S. No. 5750 (effective January 20, 1965).)

The evidence of record includes extracts from the land records covering Liber XVI-6 and XVI-7, parcels no. 18 and 19, cadastral district of Sarajevo, and liber no. 4384, parcel no. 3580, cadastral district of Zagreb; nationalization decree no. 04/KN-1637/6-1959 dated March 20, 1960; photographs and appraisals of subject properties; and the probated will of the late David Alkalay, deceased husband of claimant who was a national of the United States at all pertinent times.

On the basis of all the evidence of record, the Commission finds that the claimant owned real property in Zagreb consisting of a two-story apartment building on 562 square meters of land recorded in liber no. 4384, parcel no. 3580, known as Kaciceva ul. No. 6a, and that the claimant owned real property in Sarajevo consisting of a two-story commercial building and 246.1 square meters of land recorded in liber nos. XVI/6 and XVI/7, parcels 18 and 19. The Commission further finds that subject properties were nationalized by the Government of Yugoslavia on March 20, 1960, by decision no. 04/KN-1637/6-1959 pursuant to the Law on Nationalization of Buildings for Rent and of Building Lots of December 26, 1958 (Sl. List (Yugoslavia), No. 52, Item No. 890, December 31, 1958). (See Claim of Alexis G. Bacic, Claim No. Y2-0522, 1967 FCSC ANN. REP. 75.) The aforementioned decision of the Commission for Nationalization for the lower city of Zagreb issued following an appeal by claimant's representative. Exempted from nationalization and left to the ownership of claimant's predecessor in interest was a four-room apartment.

In consideration of the question of the value of real property found to have been nationalized or otherwise taken by the Government of Yugoslavia within the purview of the 1964 Agreement, the Commission has held that prewar (1938-1939) values reflect a better basis for the appraisal of property in Yugoslavia than postwar values and are therefore to be considered as the point of reference; and that such prewar dinar currency

valuation shall be converted into United States currency at the rate of 44 dinars for \$1.00. (See Claim of Alexis G. Bacic, (supra).)

Upon full consideration of the evidence submitted, including photographs and appraisals, and information available to the Commission relating to the values of real property in Sarajevo and Zagreb similar to the subject matter of this claim, the Commission finds that the value of the Zagreb property at the time of nationalization was 1,100,000 prewar dinars and that the value of the Sarajevo property, at the time of nationalization was 276,500 prewar dinars, or a total for both properties of 1,376,500 prewar dinars equal to \$31,284.00 at the exchange rate of 44:1.

Paragraph 2 of the Interpretative Minute to the Yugoslav Claims Agreement of 1964 provides as follows:

Properties or parts thereof which have been exempted from nationalization or other taking by the Government of Yugoslavia in accordance with the laws of Yugoslavia are not covered or settled by this Agreement.

The four-room unit exempted from nationalization and remaining in claimant's ownership has a useful dwelling space of 263 square meters. The Commission has held that due to particular circumstances concerning a claimant's rights to, and use and enjoyment of such exempted units, their value to a claimant is a fraction of the value they would be had the claimant an unrestricted right to use them (See Claim of Simon S. Romano, Claim No. Y2-0108), and that such units had a market value of twenty-five per cent (25%) of free units evaluated in prewar dinars.

In view of the foregoing, the Commission finds that at the time of nationalization, the exempted unit measuring 263 square meters had a value of 51,500 prewar dinars or \$1,300.00. Deducting this amount from the total value of subject property, the Commission further finds that claimant's nationalized property had a value of \$29,984.00 and concludes that claimant is entitled to an award in that amount pursuant to the terms of the Agreement.

The Commission has decided that in granting awards on claims under the Yugoslav Claims Agreement of 1964, interest shall be allowed at the rate of 6% per annum from the date of loss to January 20, 1965, the date on which the Agreement entered into force and effect. (See Claim of Alexis G. Bacic, (supra).) Accordingly, the amount of the award will be increased to that extent in the instant claim.

A W A R D

An award is hereby made to ALICE ALKALAY in the principal amount of Twenty-Nine Thousand Nine Hundred Eighty-Four Dollars (\$29,984.00) together with interest thereon in the sum of Eight Thousand Six Hundred Ninety-Five Dollars and Thirty-Six Cents (\$8,695.36) which interest is at the rate of 6% per annum from March 20, 1960, the date the claim arose, to January 20, 1965, the date on which the Yugoslav Claims Agreement entered into force.

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

NOV 27 1968

Leonard v. B. Sutton  
Leonard v. B. Sutton, Chairman

Theodore Jaffe  
Theodore Jaffe, Commissioner

Sidney Freidberg  
Sidney Freidberg, Commissioner

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, 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, 32 Fed. Reg. 412-13 (1967).)