

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

IN THE MATTER OF THE CLAIM OF

RUZICA PEREPLITCHIKOV
ANKA SOUBBOTITCH
KATARINA ANTIC

Claim No. Y2-1733
Y2-1734
Y2-1735
Decision No. Y2-
0252

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

Counsel for Claimants:

Coudert Brothers

PROPOSED DECISION

These claims in the aggregate amount of \$45,000.00 are based upon the asserted joint ownership and loss of improved real property located in Belgrade, Yugoslavia. Claimants, mother and two daughters, have been nationals of the United States since their naturalization on the following dates:

RUZICA PEREPLITCHIKOV, daughter	April 13, 1953
ANKA SOUBBOTITCH nee GODJEVAC, mother	February 4, 1952
KATARINA ANTIC, daughter	June 15, 1953

Under Section 4(a) of the International Claims Settlement Act of 1949, as amended (64 Stat. 13 (1950), 22 U.S.C. §1623(a) (1958)), the Commission is given jurisdiction over claims of nationals of the United States included within the terms of the Yugoslav Claims Agreement of November 5, 1964, and the Commission is directed to apply the following in the following order:

- (1) The provisions of the applicable claims agreement as provided in this subsection; and
- (2) the applicable principles of international law, justice and equity.

Among other things, the Agreement provides as follows:

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.

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Article II. The claims of nationals of the United States to which reference is made in Article I of the 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 the Agreement. (Agreement between the Government of the United States and the Government of the Socialist Federal Republic of Yugoslavia Regarding Claims of the United States Nationals, November 5, 1964, which entered into force on January 20, 1965, 16 U.S.T. & O.I.A. 1965, T.I.A.S. No. 5750 (1964).)

The evidence presented by the claimants shows that in 1936 Dr. Anka Godjevac (now Anka Soubotitch) was the sole owner of improved real property located at No. 3 Zetska Street in Belgrade, recorded in Liber No. 696 of the cadastral district of Belgrade I, consisting of a land parcel numbered 1566, measuring 267.10 square meters, on which was standing an apartment building. This apartment building, erected in 1936, consisted of a cellar, ground floor, and three floors above the ground floor.

The claimants state that each of them became the undivided co-owner of a one-third interest in the property because Anka Soubotitch nee Godjevac conveyed a one-third interest to each of her two daughters. The evidence before the Commission shows that Anka Soubotitch on March 8, 1941 executed a power of attorney before the Yugoslav Consulate General in London, authorizing her two daughters to transfer to themselves ownership of the subject property and to enter appropriate records of such transfers in the land books.

However, an extract from the land books dated November 20, 1959 and subsequent documentation, indicates that the two daughters failed to

Y2-1733
Y2-1734
Y2-1735

exercise the authority given to them by their mother. As a result, the property remained recorded in the name of Anka Godjevac up to the time of nationalization of the property. Even after nationalization, Anka Soudbotitch nee Godjevac filed with the Yugoslav authorities certain applications as the sole owner of the property, requesting partial exemption from nationalization.

The Commission, therefore, concludes that Ruzica Pereplotchikov and Katarina Antic failed to establish that they acquired any proprietary interest in the property.

Accordingly, claim No. Y2-1733 of Ruzica Pereplotchikov and claim No. Y2-1735 of Katarina Antic are hereby denied.

The record shows that the subject property was nationalized by the Government of Yugoslavia on November 21, 1960 by virtue of a decision issued by the Nationalization Commission for the Old City of Belgrade, No. 709/50, pursuant to the Law on Nationalization on Buildings for Rent and Building Lots of December 26, 1958 (Sl. List (Yugoslavia), No. 52, Item 890, December 31, 1958). Certain mortgages encumbering the property in the aggregate amount of 460,000 dinars, all due to the State Mortgage Bank, were simultaneously cancelled. Exempted from nationalization and left in the ownership of the claimant Anka Soudbotitch nee Godjevac were two apartments - (1) one consisting of three rooms, kitchen, closet, entrance and bathroom; and (2) one consisting of one room, kitchen, closet, entrance and bathroom.

Claimants submitted a detailed description of the property and improvements, and an affidavit dated February 1, 1956, executed by Karlo Santich, an engineer, residing in New York City, who stated that the property had a prewar value of 1,721,616 dinars, and that in 1954 the property was worth \$50,000.00. Claimants also submitted an affidavit dated August 8, 1967, executed by Miodrag Najdanovich, a civil engineering designer of New York City, who stated, on the basis of the blueprints and construction plans for

Y2-1733
Y2-1734
Y2-1735

the building, that the building lot upon which the apartment house was erected, had an area of 265 square meters and that the total usable dwelling area had a surface of 1104 square meters. Included in the 1104 square meters are 128 square meters of usable dwelling space of the two apartments exempted from nationalization.

The Commission has given careful consideration to the documentation submitted by the claimant; the fact that the property is located close to the center of the city of Belgrade, and that the building was erected in 1936; and information available to the Commission concerning the value of apartment houses similar to that which is the subject of this claim. The Commission has decided that the prewar (1938-1939) values reflect a better basis for the appraisal of property and are to be considered as the point of reference for valuation purposes; that depreciation of the buildings during and after the war was largely set off by appreciation of real estate values after World War II; and that the prewar dinar currency shall be converted into United States currency at the rate of 44 dinars for \$1.00. (See Claim of Alexis G. Bacic, Claim No. Y2-0522.)

Based upon the entire record, the Commission finds that at the time of nationalization, the land in question measuring 265 square meters had a value of 1,320 prewar dinars per square meter, or 349,800 prewar dinars; and that the building had a value of 1,000 dinars per square meter of usable dwelling space, or 1,104,000 dinars for the useful building area of 1,104 square meters. Accordingly, the Commission finds that at the time of nationalization the value of the subject property was 1,453,800 dinars expressed in prewar dinar currency, or \$33,040.91.

Paragraph 3 of the Interpretative Minute to the Yugoslav Claims Agreement of 1964 provides the following:

Rights and interests in and with respect to properties which are mortgaged or otherwise encumbered by an owner or the owners thereof are covered and settled by this Agreement for the amount of the equity or value remaining after deduction of the principal amount of such mortgage or other encumbrance.

Y2-1733
Y2-1734
Y2-1935

The land records show, as stated above, that the property was encumbered with mortgages in the aggregate amount of 460,000 dinars in favor of the State Mortgage Bank in Belgrade. However, claimant submitted a certificate dated February 18, 1954 by the National Bank of Yugoslavia in Belgrade, which states that on October 19, 1943 all mortgages on the property owned by Dr. Anka M. Godjevac at No. 3 Zetska Street in Belgrade were fully paid and satisfied. Consequently, no deductions are hereby made for the mortgages in question.

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 two apartments exempted in favor of claimant Anka Soubbotitch have a useful dwelling space of 128 square meters. The Commission is aware that the exempted apartments under the laws and regulations prevailing in Yugoslavia cannot be used by the claimant as long as they are occupied by tenants and that she has no control over the selection of present or future tenants nor has she any means to evict the tenants, except under extraordinary circumstances not present here. The income from rent is negligible and the circumstances indicate that such income is used almost in its entirety by the local housing authorities for the payment of taxes and for continuing repairs. The claimant, a resident of the United States, obviously does not use the exempted apartments and their value to the claimant is a fraction of the value which the apartments would be worth, if the owner had the right to use them. A sale of the occupied apartments is practicable to a very limited extent only and the proceeds of a sale, if any, would amount to a fraction of the sales price for unoccupied apartments free for the use of the owner. Based upon Commission information concerning sales transactions

Y2-1733
Y2-1734
Y2-1735

concluded in Yugoslavia, the Commission finds that this type of occupied apartment had a market value of twenty-five per cent (25%) of a free apartment evaluated in prewar dinars. As stated above, the Commission finds the value of the subject building to be 1,000 prewar dinars per square meter of usable dwelling space. However, in view of the foregoing, the Commission finds that, at the time of nationalization, the exempted apartments measuring 128 square meters had a value of 250 prewar dinars (25% of 1,000 prewar dinars) per square meter of usable dwelling space, or 32,000 prewar dinars for the two exempted apartments. At the exchange rate of 44 : 1, this amount in United States currency is \$727.27.

As a result, the value of claimant's interest in the nationalized property is \$ 33,040.91
less value of exempted apartments - 727.27
Net value after exemptions \$ 32,313.64

The Commission, therefore, concludes that claimant ANKA SOUBBOTITCH is entitled to an award in the principal amount of \$32,313.64.

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, November 21, 1960, to January 20, 1965, the date on which the Agreement entered into force and effect. (See the Claim of Alexis G. Bacic, Claim No. Y2-0522.) Accordingly, the amount of the award will be increased to that extent.

Y2-1733
Y2-1734
Y2-1735

A W A R D

An award is hereby made to ANKA SOUBBOTITCH in the principal amount of Thirty-two Thousand Three Hundred Thirteen Dollars and Sixty-four Cents (\$32,313.64) with interest thereon at 6% per annum from November 21, 1960, the date of loss, to January 20, 1965, the date on which the Yugoslav Claims Agreement entered into force, in the sum of Eight Thousand Seventy-two Dollars and Ninety-two Cents (\$8,072.92).

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

FEB 7 1968

Edward S. Re

Edward S. Re, Chairman

Theodore Jaffe

Theodore Jaffe, 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).)

Y2-1733
Y2-1734
Y2-1735