

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

IN THE MATTER OF THE CLAIM OF

FRANK VADASZ

Claim No. CZ-2-1468

Decision No. CZ-2-0933

PROPOSED DECISION

This claim in the amount of \$25,000 against the Government of Czechoslovakia under subsection 5(a) of the Czechoslovakian Claims Settlement Act of 1981 (Public Law 97-127, 95 Stat. 1675) is based upon the loss of personal property and an apartment house at Imricha Darvasa Street 18 and Kazinczyho Street 9 in Kosice, Czechoslovakia.

The evidence of record establishes that claimant became a United States citizen by naturalization on January 24, 1958.

Under subsection 5(a) of the Czechoslovakian Claims Settlement Act of 1981, the Commission is given the following jurisdiction:

"The Commission shall receive and determine, in accordance with applicable substantive law, including international law, the validity and amount of claims by nationals of the United States against the Government of the Czechoslovak Socialist Republic for losses resulting from the nationalization or other taking of property owned at the time by nationals of the United States, which nationalization or other taking occurred between August 8, 1958, and [February 2, 1982]."

Accordingly, under the law the Commission can grant awards only for property which was taken after August 8, 1958.

At the time of filing his claim, claimant asserted the loss of a 1/2 interest in a two-story apartment house at Imricha Darvasa Street 18 and Kazinczyho Street 9 in Kosice. Claimant stated that the property was taken by the Czechoslovak authorities on August 11, 1960 pursuant to a decree of the Financial Department of the Kosice National Committee Council.

The property in this claim was the subject of a previous claim filed in the Commission's first Czechoslovakian claims program, conducted under Public Law 85-604. In that claim, the claimants were FRANK VADASZ and his brother, Lawrence V. Vadasz, a United States citizen since July 28, 1944. The Commission in that claim found that the subject property had been constructively taken by the Government of Czechoslovakia on January 1, 1953. Since Lawrence V. Vadasz was a United States citizen at that time, he was granted an award for 1/2 the value of the property, or \$19,917.50 plus interest.

The date of taking of January 1, 1953 which the Commission found in the first program was based upon Czechoslovak Law No. 80/52, which compelled owners of buildings with a gross rental income of 15,000 crowns or more to deposit the rent in special accounts. From such accounts, a real property tax (45 to 50% of the gross rent) and an inheritance tax, if any, were deducted. In addition, at least 30% of the rent was then transferred into a building repair account. Thus, in Czechoslovakia the owner of a building larger than a one-family dwelling having a gross rental income of 15,000 crowns or more was, after the passage of Law No. 80/52, precluded from the free and unrestricted use of his realty and the fruits of such realty. The Commission considered that to all intents and purposes the owner of the property, despite the fact that he may have remained the record owner, lost all control over the property and was little more than a collecting agent for the Czechoslovakian Government.

Accordingly, the Commission concluded in the first program that improved real property having a gross rental income of 15,000 crowns or more per year was considered as constructively

taken by the Government of Czechoslovakia on January 1, 1953.

(These conclusions are set forth in the Commission's Panel Opinion No. 7, printed on pages 31-32 of the Foreign Claims Settlement Commission's Eleventh Semiannual Report to the Congress for the period ending December 31, 1959.)

In the current claims program, FRANK VADASZ has submitted an extract from the land register in Kosice establishing that record title to the subject property was transferred to the Czechoslovak State on August 11, 1960. The Commission has considered the measures taken by the Commission in the first Czechoslovakian claims program, the reasoning underlying such measures, and the documentation submitted by claimant FRANK VADASZ. It concludes that the extract from the land register in Kosice establishes that record title to the subject property was taken from the claimants on August 11, 1960. Accordingly, the Commission finds that claimant FRANK VADASZ is entitled to an award for the loss of his 1/2 interest in the property at that time.

In the first program, the Commission reached a value for the subject property by considering an affidavit submitted from an acquaintance of the claimants, rental income from 1938 and 1950, photographs, and information available to the Commission concerning values of property in various cities in Czechoslovakia. The Commission determined in the first program that the total value of the subject property in 1953 was \$39,835.00. Accordingly, the principal value of the loss to Lawrence Vadasz was found to be \$19,917.50.

In the current program, the Commission has reviewed the valuation found in the first program, as well as the evidence of record in the current claim of FRANK VADASZ. The record does not contain information indicating the condition of the building in 1960, whether it had been repaired and well taken care of, or whether it had been allowed to fall into a state of

disrepair. Since the evidence of record does not warrant a change in the finding of the Commission in the first program, the Commission concludes that FRANK VADASZ is entitled to an award in the principal amount of \$19,917.50 for the loss of his 1/2 interest in the apartment house in Kosice.

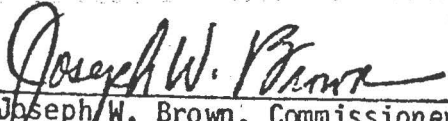
The Commission has concluded that in granting awards under subsection 5(a) of Public Law 97-127, interest shall be allowed at the rate of 6% simple interest per annum from the date of loss to February 2, 1982, the date the claims settlement agreement between the United States and Czechoslovakia came into effect.

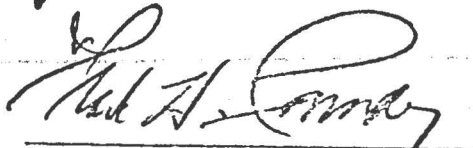
AWARD

Claimant, FRANK VADASZ, is therefore entitled to an award in the principal amount of Nineteen Thousand Nine Hundred Seventeen Dollars and Fifty Cents (\$19,917.50), plus interest at the rate of 6% simple interest per annum from August 11, 1960 to February 2, 1982 in the amount of Twenty-Five Thousand Six Hundred Seventy Dollars and Twenty-Seven Cents (\$25,670.27), for a total award of Forty-Five Thousand Five Hundred Eighty-Seven Dollars and Seventy-Seven Cents (\$45,587.77).

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

NOV 17 1983


Joseph W. Brown, Commissioner


Frank H. Conway, Commissioner

This is a true and correct copy of the decision
of the Commission which was entered as the final
decision.

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.)