

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

IN THE MATTER OF THE CLAIM OF

ANNIE K. STILES

Under the International Claims Settlement
Act of 1949, as amended

Claim No. CU-1128

Decision No. CU- 4883

PROPOSED DECISION

This claim against the Government of Cuba, under Title V of the International Claims Settlement Act of 1949, as amended, was presented by Philip K. Stiles, the husband of claimant, for \$25,000.00 based upon the asserted ownership and loss of certain real and personal property in Cuba. Philip K. Stiles, a national of the United States since birth, died intestate on November 23, 1967, leaving him surviving his widow ANNIE K. STILES, as his sole heir, a national of the United States since birth, who is substituted as claimant herein.

Under Title V of the International Claims Settlement Act of 1949 [78 Stat. 1110 (1964), 22 U.S.C. §§1643-1643k (1964), as amended, 79 Stat. 988 (1965)], the Commission is given jurisdiction over claims of nationals of the United States against the Government of Cuba. Section 503(a) of the Act provides that the Commission shall receive and determine in accordance with applicable substantive law, including international law, the amount and validity of claims by nationals of the United States against the Government of Cuba arising since January 1, 1959 for

losses resulting from the nationalization, expropriation, intervention 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.

Section 502(3) of the Act provides:

The term 'property' means any property, right, or interest including any leasehold interest, and debts owed by the Government of Cuba or by enterprises which have been nationalized, expropriated, intervened, or taken by the Government of Cuba and debts which are a charge on property which has been nationalized, expropriated, intervened, or taken by the Government of Cuba.

Claimant's loss has been described as follows:

A lot in Arroyo Arenas, Marianao, Havana	\$ 8,000.00
A residence on the lot	12,000.00
Household furnishings	<u>5,000.00</u>
	\$25,000.00

Based upon the entire record, including a report from abroad and a copy of a document evidencing mortgages on the improved property subject of this claim, and claimant's affidavit concerning the property subject of the claim and listing the household furnishings, the Commission finds that Philip K. Stiles and ANNIE K. STILES owned the subject property in Cuba and upon the death of Philip K. Stiles, claimant herein became the sole owner thereof.

Decedent had stated that he left Cuba on January 17, 1961 and thereafter the real and personal property were taken by the Government of Cuba.

On October 14, 1960, the Government of Cuba published in its Official Gazette, Special Edition, its Urban Reform Law. Under this law the renting of urban properties, and all other transactions or contracts involving transfer of the total or partial use of urban properties was outlawed (Article 2). The law covered residential, commercial, industrial and business office properties (Article 15). Following Chapter VI of the law appears a section entitled "Temporary Provision" and in the third paragraph thereof provides that citizens of foreign countries who did not have the status of legal residents were excluded from the rights and benefits conferred by this law.

Based on the foregoing and the evidence of record, the Commission finds that subject real property in Cuba was taken by the Government of Cuba pursuant to the provisions of the Urban Reform Law; and, in the absence of evidence to the contrary, that the taking occurred on

January 17, 1961. (See Claim of Henry Lewis Slade, Claim No. CU-0183, 1967 FCSC Ann. Rep. 39.) The Commission further finds that the household furnishings were taken at the same time.

The Act provides in Section 503(a) that in making determinations with respect to the validity and amount of claims and value of properties, rights, or interests taken, the Commission shall take into account the basis of valuation most appropriate to the property and equitable to the claimant, including but not limited to fair market value, book value, going concern value or cost of replacement.

The record includes, in support of the claimed values a description of the real property as about 3,545 square meters, improved by a house of part frame and part concrete block construction, having about 9 rooms and usual facilities, and occupying 112 square meters. There is also a report from abroad, a document received March 19, 1958 describing two mortgages on the property of \$5,500.00 and \$3,090.00, a copy of a receipt dated September 18, 1958 for 1,000 pesos on account of the principal on the latter mortgage, and claimant's affidavit listing the items of the household furnishings and their established value.

On the basis of the evidence of record, and evidence available to the Commission regarding the value of similar properties in Marianao, the Commission finds that on January 17, 1961, the date of loss, the house and lot had a value of \$18,200.00 and that the personalty had a total value of \$5,000.00. The Commission further finds, based on the evidence of record that the improved real property was encumbered by two mortgages totalling \$7,590.00 which must be deducted to arrive at the equity of \$10,610.00 in the realty, (the peso being on a par with the United States dollar).

The Commission therefore concludes that claimant succeeded to and suffered a loss in the total amount of \$15,610.00 within the meaning of Title V of the Act as a result of the taking of the property subject of this claim by the Government of Cuba on January 17, 1961.

The Commission has decided that in certification of losses on claims determined pursuant to Title V of the International Claims Settlement Act


of 1949, as amended, interest should be included at the rate of 6% per annum from the date of loss to the date of settlement (see Claim of Lisle Corporation, Claim No. CU-0644), and in the instant case it is so ordered.

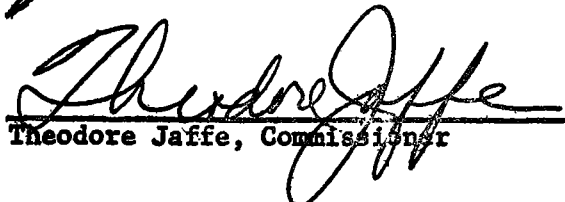
CERTIFICATION OF LOSS

The Commission certifies that ANNIE K. STILES succeeded to and suffered a loss, as a result of actions of the Government of Cuba, within the scope of Title V of the International Claims Settlement Act of 1949, as amended, in the amount of Fifteen Thousand Six Hundred Ten Dollars (\$15,610.00) with interest at 6% per annum from January 17, 1961 to the date of settlement.

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

MAY 20 1970


Lyle S. Garlock, Chairman


Theodore Jaffe, Commissioner


Sidney Freidberg, Commissioner

The statute does not provide for the payment of claims against the Government of Cuba. Provision is only made for the determination by the Commission of the validity and amounts of such claims. Section 501 of the statute specifically precludes any authorization for appropriations for payment of these claims. The Commission is required to certify its findings to the Secretary of State for possible use in future negotiations with the Government of Cuba.

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).)