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Seegerstrom Loses Suit to Stepchild

Mikette von Issenberg, an ex-Vogue model,
sued for assets of late mom's trust.

By GREG HARDESTY

A probate judge has ruled that the stepdaughter of Henry T. Seegerstrom, one of the wealthiest and most revered businessmen in Orange County, is entitled to assets in her late mother's trust that Seegerstrom has controlled for two years.

Lawyers now must determine the value of the assets, which could take months. Depending on who's talking, the trust is worth about \$1 million -- or as much as \$10 million.

Judge Richard O. Frazee Sr.'s ruling was a victory for Mikette von Issenberg, 53, a mother who feels she was cast aside by the wealthy Seegerstroms after her mother, Renee -- Henry's wife -- died in June 2000.

The ruling also ends a rare public spat inside the private Seegerstrom empire. The dispute was the talk of the social circuit when it erupted in November 2000, with von Issenberg of Corona del Mar suing Seegerstrom for allegedly withholding his late wife's assets.

"Henry has been holding our inheritance ransom," von Issenberg said Monday. "Doesn't he have enough of his own money?"

Although the personal trust now is hers, von Issenberg, a former Vogue model, is not entitled to her late mother's personal property, including paintings, antique furniture and clothes, according to the ruling.

Lawyers for Seegerstrom, 79, say the developer and philanthropist has done no wrong -- that the controversy arose out of the private affairs of his late wife. "He's pleased to get this guidance from the court as to how he should proceed as the successor-trustee of Renee's personal trust," said Michele D. Johnson, an attorney for Seegerstrom.

The assets in dispute are three real estate properties whose collective value in 1989 was \$336,000, according to court documents. The properties came from Renee Seegerstrom's first marriage, to Albert Issenberg, who died in 1981. Lawyers for Seegerstrom, whose achievements include South Coast Plaza and the Orange County Performing Arts Center, argued that she and Renee's other child, Michael, signed away their rights to the trust in 1989 in exchange for cash payouts of \$25,000. [cont. next pg.]

Frazer ruled that those signed agreements were not valid and that Mikette von Issenberg is entitled to the money. Michael von Issenberg died last year.

Henry Segerstrom tried to work with von Issenberg to keep the disagreement out of court, but to no avail, Johnson said. "All along, Mr. Segerstrom has wanted to work this out, but his numerous efforts at a settlement were rebuffed," she said.

When he took the stand in April, Segerstrom pegged the value of the trust at about \$1 million. But A. Daniel Bacalski Jr., attorney for von Issenberg, believes there is "10 times" as much in the trust. "We believe the monies were invested in highly successful mechanisms," Bacalski said.

Lawyers will spend the next several months haggling over the value of the trust. "Clearly, this is not Henry's money," said von Issenberg, who lives with her daughter, Lily, 14, in a rented studio. "It never was."