



UNITED STATES
CIVILIAN BOARD OF CONTRACT APPEALS

August 11, 2015

CBCA 4558-RELO

In the Matter of JEFFREY W. BRYANT

Jeffrey W. Bryant, Tucson, AZ, Claimant.

Barbara J. Bahr, Associate General Counsel, National Geospatial-Intelligence Agency, Springfield, VA, appearing for Department of Defense.

KULLBERG, Board Judge.

Claimant, Jeffrey W. Bryant seeks reimbursement for the expenses that he incurred for home and termite inspections in connection with the purchase of his home after relocating to his current duty station. The National Geospatial-Intelligence Agency (NGA), a component of the Department of Defense, contends that those expenses were not reimbursable because Mr. Bryant has not shown that such expenses were normally paid by the buyer, that the amount charged was customarily paid in the locality where the house was purchased, and that such inspections were required by either the lender or under state or local law. For the reasons stated below, the claim is denied.

Background

By orders dated June 30, 2014, Mr. Bryant was transferred from his previous duty station in Springfield, Virginia, to his current duty station at Davis Mountain Air Force Base, Arizona. On October 21, 2014, he executed a contract for the purchase of a home (contract) at his new duty station. The contract provided the following:

Inspection Period: Buyer's Inspection Period shall be ten (10) days or 10 days after Contract acceptance. During the Inspection Period Buyer, at Buyer's expense shall: (i) conduct all desired physical, environmental, and other types of inspections and investigations to determine the value and condition of the Premises; (ii) make inquiries and consult governmental agencies, lenders, insurance agents, architects, and other appropriate persons and entities concerning the suitability of the Premises and the surrounding area; (iii) investigate applicable building, zoning, fire, health, and safety codes to determine any potential hazards, violations or defects in the Premises; and (iv) verify any material multiple listing services ("MLS") Information.

Mr. Bryant paid \$450 for a home inspection and \$48 for a termite inspection, which were conducted on October 24, 2014, and closing on the purchase of his home took place on November 24, 2014. He submitted his claim for real estate expenses on December 5, 2014, and on December 22, 2014, he was informed that his claim for the home and termite inspections had been denied. He then submitted to the Board his claim for the expense of those two inspections. In his claim, Mr. Bryant contended that "termite and home inspections are required by law here in Arizona based upon the contract."

Discussion

At issue in this matter is whether Mr. Bryant is entitled to reimbursement for the expense of his home and termite inspections. Statute provides that "an agency shall pay to or on behalf of an employee who transfers in the interest of the Government, expenses of the . . . purchase of a residence at the new official station that are required to be paid by the employee." 5 U.S.C. § 5724a(d)(1) (2012). The Federal Travel Regulation (FTR), which applies to Mr. Bryant, provides the following:

What residence transaction expenses will my agency pay?

Provided the residence transaction expenses are customarily . . . paid by the purchaser at the new official station, your agency will, with appropriate supporting documentation provided by you, reimburse you for the following residence transaction expenses when they are incurred by you incident to your relocation

41 CFR 302-11.200 (2014) (FTR 302-11.200). Among those expenses, the FTR provides for reimbursement of "[e]xpenses in connection with environmental testing and property inspection fees when required by Federal, State, or local law; or by the lender as a precondition to sale or purchase." *Id.* 302-11.200(f)(11). This Board has recognized with

regard to both home and termite inspections that “inspection expenses are reimbursable only to the extent that they are customarily paid by the purchaser at a new official station; are no greater than that which is customarily paid in the locality; and are required by federal, state, or local law, or by the lender as a precondition to the purchase.” *Janet D. Winn*, CBCA 4434-RELO, 15-1 BCA ¶ 35,978, at 175,799 (citing FTR 302-11.200(f)(11)).

Mr. Bryant has provided no evidence to support a finding that the amounts paid for the home and termite inspections were reimbursable. Although he contends that under the terms of the contract he was required under Arizona law to pay for home and termite inspections, he has provided no legal authority or other evidence to show that those inspections were required by law. The contract only stated that the purchaser had a ten-day period in which to conduct all “desired” inspections. Such inspections may have been prudent, but they are not reimbursable under these circumstances. *See Wilbur W. Bhagat*, CBCA 1616-RELO, 09-2 BCA ¶ 34,280, at 169,347.

Decision

The claim is denied.

H. CHUCK KULLBERG
Board Judge