



UNITED STATES
CIVILIAN BOARD OF CONTRACT APPEALS

January 9, 2014

CBCA 3295-RELO

In the Matter of MONICA L. LINDSEY

Monica L. Lindsey, Portland, OR, Claimant.

Pamela C. Scalco, Chief, Travel Branch - Temporary Duty Travel, Transfer of Station, and Travel Card Program, Budget and Finance, Albuquerque Service Center, Forest Service, Department of Agriculture, Albuquerque, NM, appearing for Department of Agriculture.

HYATT, Board Judge.

Claimant, Monica L. Lindsey, has requested the Board's review of the Department of Agriculture's denial of her claim for reimbursement of money she states she lost as a result of a relocation contracting company's failure to purchase her home when she transferred in 2007.

Background

In March 2007, the Forest Service (agency) hired claimant, Ms. Lindsey, who at that time was an employee of the Department of the Interior's Bureau of Land Management. The agency authorized permanent change of station (PCS) benefits from Portland, Oregon, to Vallejo, California, with a reporting date of April 15, 2007. In connection with the transfer, the agency also authorized participation in a relocation services program. Ms. Lindsey elected to participate in a program with Prudential Real Estate, Inc. (PRI).

On April 2, 2007, PRI sent a letter advising Ms. Lindsey of the variety of services available to her to assist with her move, including a brochure describing PRI's "guaranteed

offer program.”¹ PRI’s brochure explains that the guaranteed offer benefit is intended to provide a safety net for transferring employees in the event an employee is unable to obtain a third-party offer for the home in a reasonable time frame. The offer is based on fair market value as determined by independent appraisers.

Prior to the transfer and the agency’s approval of claimant’s participation in the relocation services program, Ms. Lindsey had fallen behind in her mortgage payments. Sometime after she was approved to participate in the program, the bank initiated foreclosure proceedings.

In May 2007, PRI tendered a verbal offer to purchase claimant’s house in Portland for the amount of \$227,000. On June 11, 2007, PRI provided a written sales agreement, reflecting that amount, for Ms. Lindsey’s review. The agreement states that it would not be effective until executed by PRI and that PRI would not be bound by the agreement until all documentation was effected and all contingencies specified in the agreement were satisfied. Ms. Lindsey signed and returned the agreement that day, expecting that PRI would complete the sale promptly. She states that had PRI done so, she would have realized an unspecified amount of equity on her home, notwithstanding the backlog in mortgage payments. PRI did not execute the agreement, which the agency attributes to the financial complications of the mortgage default and the inability to effect a short sale of the property. The bank foreclosed on the home, which was still held by claimant, in September 2007. Ms. Lindsey realized nothing from the sale.

Discussion

Ms. Lindsey maintains that PRI failed to meet its obligations as a relocation services contractor and thus caused her to lose equity in her home. She asserts that the agency should reimburse her for the equity she would have realized if an immediate short sale had been arranged by PRI. The agency responds that the relocation contractor was not at fault and was not obligated to assume her mortgage payments or arrange a short sale.

It is not necessary for us to resolve disputed facts or take a position with respect to the adequacy of the performance provided by the relocation services contractor. The Board’s previous observation on this subject is instructive:

¹ Ms. Lindsey states that she vacated her residence on March 26, 2007, leaving it in “broom clean condition,” and turned over the keys to a PRI representative.

The Board is authorized to settle claims by federal civilian employees involving expenses incurred for official travel and transportation, and for relocation expenses incident to transfers of official duty station. 31 U.S.C. § 3702(a)(3). We have no authority to investigate whether a relocation services contractor performed its duties efficiently and politely, or to determine whether the relocation services program is working well.

Betsaida Ramirez, CBCA 1923-RELO, 10-2 BCA ¶ 34,501.

Ms. Lindsey had fallen behind in her mortgage payments. The responsibility to resolve financial impediments arising in connection with the sale of a residence ordinarily rests with the employee. *See generally James E. Moyer*, CBCA 2833-RELO, 12-2 BCA ¶ 35,111. In any event, the Federal Travel Regulation makes clear that the agency has no authority under a home sale program to reimburse an employee for losses incurred in connection with the sale of a residence. 41 CFR 302-12.112 (2007). The guaranteed home sale program is not intended to provide the relief that Ms. Lindsey seeks.

The claim is denied.

CATHERINE B. HYATT
Board Judge