



UNITED STATES  
CIVILIAN BOARD OF CONTRACT APPEALS

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January 26, 2015

CBCA 3932-RELO

In the Matter of KYLE N. GREGORY

Kyle N. Gregory, Chesapeake, VA, Claimant.

Helen J.S. White, Assistant General Counsel, Defense Commissary Agency, Fort Lee, VA, appearing for the Department of Defense.

**STERN**, Board Judge.

Claimant, a civilian employee with the Defense Commissary Agency (DeCA), was transferred by DeCA from Norfolk, Virginia, to Fort Lee, Virginia. In connection with the transfer, claimant was authorized real estate transaction expenses.

At the time of the transfer, claimant was leasing his residence under the terms of a lease that he had previously executed. Though the initial term of the lease had expired, the lease provided that its terms would remain in effect, on a month-to-month basis, absent a notice from the tenant to vacate. The lease required written notice to the landlord, at least sixty days prior to the end of the lease.

On April 28, 2014, claimant accepted his new position with DeCA and provided notice to the landlord of his intent to vacate the premises. The reporting date for the new job was May 19, 2014. On May 18, 2014, claimant vacated the apartment.

Claimant seeks \$2204.31, the amount paid the landlord equal to the rent due from May 18, 2014, through June 28, 2014, in accordance with the terms of the lease.

DeCA has refused to pay the claim on the basis that it is not authorized to pay extra rental expenses incurred by a claimant. DeCA argues that the rent that claimant paid was not an early termination fee but, rather, a regular rent payment.

The regulations provide that an employee transferred from one permanent duty station to another is entitled to be reimbursed the cost of the settlement of an unexpired lease as part of his residence transaction expenses. 41 CFR 302-11.6 (2014); JTR C5700; *see Carl E. Landrum*, CBCA 2663-RELO, 12-1 BCA ¶ 35,010.

Claimant timely terminated his lease upon receipt of his transfer orders. The provisions of that lease required sixty-days notice prior to termination. As a result of the transfer claimant incurred an obligation to pay the unexpired lease expenses he claims. He is entitled to be paid these expenses.

#### Decision

Claimant is entitled to be reimbursed for the cost of the unexpired lease period from May 18, 2014, through June 28, 2014.

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JAMES L. STERN  
Board Judge