

**Board of Contract Appeals**  
General Services Administration  
Washington, D.C. 20405

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January 24, 2002

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GSBCA 15542-RELO

In the Matter of RICHARD G. BRITNER

Richard G. Britner, Helena, MT, Claimant.

Jani Willis, Acting Executive Director, Heartland Finance Center, General Services Administration, Kansas City, MO, appearing for General Services Administration.

**WILLIAMS**, Board Judge.

A relocated employee who is the purchaser of a home at the new duty station may not be reimbursed for a broker's commission.

Background

Effective August 14, 2000, claimant, Richard G. Britner, was transferred from Lakewood, Colorado, to Helena, Montana, in the interest of the Government. Claimant was authorized real estate expenses in connection with his relocation.

In August 2000, claimant was encountering problems finding a house in his price range that would meet his needs. He finally found a home he could afford, but it was a "sale-by-owner" property. The owner gave claimant a standard contract to review, but then hired a lawyer and gave claimant an additional, different contract to review which, in claimant's view, "leaned heavily in favor of the owner." Claimant refused to sign that contract, but because of time restraints had an agent from the real estate broker Coldwell Banker review the proposed contract. This employee of Coldwell Banker informed claimant that he "was being taken" and that the proposed contract did not cover the requirements for a Veterans Administration (VA) loan. Therefore, claimant hired the Coldwell Banker employee "to draft a contract that was legally sound and fair in accordance with the VA requirements and Montana law." The contract which claimant alleges Coldwell Banker drafted for him was a form buy-sell agreement copyrighted by the Montana Association of Realtors.

Claimant entered into a "Buyer Broker Agreement" with Coldwell Banker Ahmann Bros. as "buyer's sole and exclusive broker" to "negotiate terms and conditions acceptable

to Buyer." This contract expressly provided that the buyer was to pay the broker 3% of the purchase price as the broker's commission.

Claimant paid \$117,000 for the house and paid Coldwell Banker 3% of that amount, i.e., \$3510. The agency refused to reimburse this amount, reasoning that Coldwell Banker was acting as a broker.

#### Discussion

Although claimant has attempted to characterize Coldwell Banker's fee as an attorney fee for drafting a contract, the record reveals that the \$3510 was clearly a broker's commission. As such, claimant cannot recover this amount. Federal Travel Regulation 302-6.2(a) expressly provides that broker fees or real estate commissions are not reimbursable in connection with the purchase of a home at the new official station. 41 CFR 302-6.2(a) (2000). We have consistently applied this regulation to preclude the reimbursement of broker's fees paid in connection with the purchase of a home. Jeffrey P. Zippin, GSBCA 15115-RELO, 00-1 BCA ¶ 30,744; Terry Beck, GSBCA 14590-RELO, 98-2 BCA ¶ 29,969; Joseph H. Rosen, GSBCA 13799-RELO, 97-1 BCA ¶ 28,708 (1996); Charles A. Peters, GSBCA 13643-RELO, 97-1 BCA ¶ 28,689 (1996); cf. Barbara M. Singleton, GSBCA 15456-RELO, 01-2 BCA ¶ 31,634 (claimant entitled to reimbursement of \$425 attorney fee where letter from counsel credibly explained that charges were in fact legal expenses).

#### Decision

This claim is denied.

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MARY ELLEN COSTER WILLIAMS  
Board Judge