

DECISION



THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D. C. 20548

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60873

FILE: B-182412

DATE: MAY 14 1976

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MATTER OF:

Wesley J. Lynes - Real Estate Expenses -
Appraisal Fees

DIGEST:

Transferred employee who purchased one lot on which he planned to build home, but was then forced to purchase a second lot because first lot was unsuitable, may be reimbursed for appraisal and inspection fees in amount of \$125 as this was basic fee charged by lending institution for these services. Fact that \$50 inspection fee was allocated to lot actually used is not controlling where lender demonstrates what basic fee for service actually was.

This matter arises from a request for a reconsideration of our decision B-182412, April 18, 1975, which, inter alia, disallowed reimbursement to Mr. Wesley J. Lynes, of duplicate real estate expenses incurred because of a change in location of the home he had constructed at his new duty station.

The facts surrounding Mr. Lynes' transfer are set out in detail in our prior decision, and will only be repeated here when necessary for clarity. The only item that is still at issue is \$75 of the \$175 charged by the lending institution that issued Mr. Lynes the permanent mortgage loan, The Equitable Life Assurance Society of the United States, for an appraisal and inspection of plans. The problem arose because the first lot purchased proved to be unsuitable for the house Mr. Lynes planned to build. At the time the first lot was purchased, Equitable charged an appraisal fee of \$100 and an inspection fee of \$25. When the second lot was acquired, an additional \$50 was charged. Our prior decision allowed reimbursement of only the \$50 directly associated with the lot on which Mr. Lynes actually built his house.

Mr. Lynes now contends that he should be reimbursed for \$125. He has supplied a letter from Equitable Life Assurance Society of the United States, dated June 6, 1975, which states, in pertinent part, that:

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"When we made the second appraisal we charged an additional \$50 as we were using the same plans and specifications as was used on the first appraisal; however, it was necessary for the appraiser to physically view the new location and to ascertain lot comparables. Therefore, our charge for the second appraisal is only \$50. Had you used a different set of plans and specifications we would have charged the full \$100. Since no final inspection was made on the original appraisal, we transferred the \$25 inspection fee to the new lot."

In light of this new evidence that the basic appraisal and inspection fee was \$125 and that only \$50 was attributable to the fact that Mr. Lynes purchased two lots, we hereby modify our prior decision in accord with the supplemented record.

Accordingly, Mr. Lynes should not be required to repay the \$75 that remains outstanding.

R. F. Keller

Deputy Comptroller General
of the United States