



UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

OFFICE OF GENERAL COUNSEL

B-219502

August 1, 1985

Mr. Glen R. Goodman
Federal Aviation Administration
601 East 12th Street, Attn: ACE-505C
Kansas City, Missouri 64106

Dear Mr. Goodman:

This is in response to your letter dated July 11, 1985, concerning your eligibility to participate in the employee relocation assistance program established by the Federal Aviation Administration (FAA) and Home Equity, a relocation service contractor.

In view of the statutes relating to our decision-making authority, we are unable to render a formal decision to you at this time. See 31 U.S.C. §§ 3529 and 3702 (1982). However, on the basis of the information provided by you, we offer the following comments on your situation. We have enclosed copies of the cited decisions for your reference.

Your letter indicates that in 1982 you entered into a lease-purchase agreement for a residence in Columbia, Missouri, and that in 1985 you transferred to Kansas City, Missouri. You state that you wish to participate in the employee relocation assistance program with Home Equity but that questions have been raised concerning your lease-purchase agreement. Essentially, Home Equity questions your eligibility since you do not have legal title to this residence.

We know of no decisions by our Office which directly pertain to your situation, and we do not have before us the contract between the FAA and Home Equity in order to comment upon your eligibility. However, our decisions have recognized that when an employee purchases property under a "land contract" or "contract for deed", the employee acquires at least equitable title to the property and may be reimbursed for certain expenses in the transaction. Larry W. Day, 57 Comp. Gen. 770 (1978); and Larry J. Light, B-188300, August 29, 1977. This is in contrast to the situation of a lease with option to purchase where the lessee would not acquire either equitable or legal title to the property. Marion B. Gamble, B-185095, August 13, 1976.

In our recent telephone conversation you indicated that you intend to prepay the remaining balance under the agreement and thereby obtain legal title to the property. On the basis of the information before us, we see no objections to your participation in the employee relocation assistance program after you have obtained legal title to this property, with the understanding that the FAA would not be obligated to reimburse you for any expenses incurred in obtaining legal title.

We trust this is responsive to your inquiry.

Sincerely yours,



Michael R. Volpe
Senior Attorney

Enclosure(s)

cc: Ms. Carole Gaeckle
c/o Home Equity Inc.
3001 Butterfield Road
Oak Brook, Illinois 60521
(w/enclosures)