

USPS buys \$1.2 million home

by UPI

COLUMBIA, S.C. - The U.S. Postal Service purchased a relocated employee's \$1.2 million home at the same time it says it faces a financial crisis, a CNN probe has revealed.

The purchase of the six-bedroom mansion near Columbia, S.C., is prompting scrutiny of how the postal service handles employee relocations, CNN reported Friday.

"It's not like we threw away a million dollars," said postal service spokesman Greg Frey. "We are hoping it's going to go for the appraised value."

However, a local real estate agent told CNN that reselling the home could be difficult given the state of the housing market.

The USPS has said it lost an average of more than \$58,000 on the 500-plus homes its relocation program bought and sold in 2008.

In February, a \$1 million cap took effect for home purchased under the relocation program.

Just weeks before purchase of the South Carolina home, Postmaster General John Potter told a congressional subcommittee that the post office is considering cutting back mail delivery.

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