Highlights of GAO-25-106132, a report to the Committee on Armed Services, U.S. Senate

March 2025

DOD REAL PROPERTY

Actions Needed to Improve Oversight of Underutilized and Excess Facilities

Why GAO Did This Study

DOD manages one of the largest real property portfolios within the federal government. This includes over 700,000 facilities with a replacement value of about \$2.2 trillion, as of fiscal year 2023. DOD has faced long-standing challenges in optimizing its use of this property. GAO continues to monitor DOD's efforts in improving the reliability of government-wide real property information as part of the Managing Federal Real Property highrisk area. The cost to build and maintain real property represents a significant financial commitment.

Senate Report 117-39, accompanying a bill for the National Defense Authorization Act for Fiscal Year 2022, includes a provision for GAO to review DOD's approach to reducing excess real property, including facility disposal.

This report examines the extent to which the military services (1) consistently and accurately report the use of their facilities, and (2) face challenges in managing and, when appropriate, disposing of facilities at selected installations. GAO reviewed guidance and documents, analyzed real property data, evaluated information from a non-generalizable sample of 19 installations that we based on the data of excess, surplus, and low utilization rates, and visited eight of these installations. GAO also interviewed relevant officials.

What GAO Recommends

GAO is making five recommendations to DOD, including to hold military services accountable for implementing utilization guidance and to assess and manage real property risks. DOD generally concurred with GAO's recommendations.

View GAO-25-106132. For more information, contact Alissa H. Czyz at (202) 512-4300 or CzyzA@gao.gov.

What GAO Found

In order for the Department of Defense (DOD) to optimize its use of real property, it seeks to periodically review its inventory to identify unneeded or underused facilities. In support of this effort, DOD provided guidance to its components to ensure consistency of utilization measurement and reporting across the department. However, GAO found that the military services have not fully followed this guidance and are reporting inconsistent and inaccurate real property data. For example, the Air Force uses a standard methodology to calculate utilization rates for each facility, but the Navy and Marine Corps report average utilization rates across a set of similar facilities. Without taking actions to hold the military services accountable for following its utilization guidance, DOD will continue to lack a clear picture of the department's portfolio of real property.



Source: GAO. | GAO-25-106132

The military services have taken steps to improve efficiency in managing space utilization within DOD real property. For example, the Army is piloting a tool to improve visibility of space utilization in properties measured by square footage. However, the services continue to face challenges in optimizing space given the need to support unexpected requirements and maintain temporary facilities. For example, some installations are using relocatable structures, such as trailers, to fulfill immediate needs until permanent facility space is identified.

Other installations are maintaining older buildings at increased costs because replacement or demolition funds are insufficient, or because the buildings are historic and are required to be preserved. The services have not assessed and managed the risks associated with their management of real property because they have not issued guidance addressing these areas. If the services were to issue such guidance, they could better meet requirements for quality facilities, complete the demolition of old and unneeded facilities in a timely manner, and avoid costly partial renovations that do not adequately meet mission needs.