

The Federal Real Property Council's

# FY 2009 Federal Real Property Report

An Overview of the U.S. Federal Government's Real Property Assets

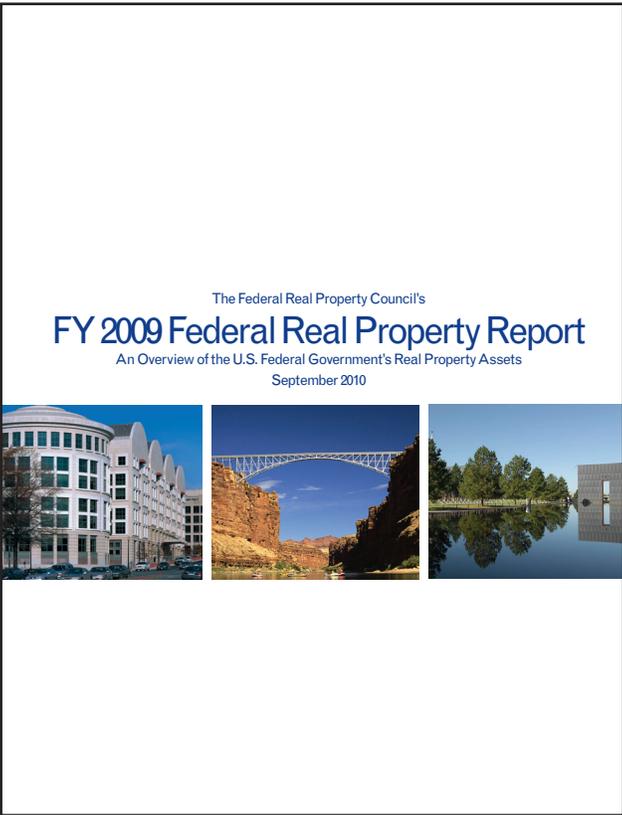
September 2010





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The Federal Government manages a diverse real property portfolio, broken down into three asset types: buildings, structures, and land. This FY 2009 Federal Real Property Report provides summary-level information on the Federal real property inventory, as of September 30, 2009.

Federal real property is defined as “any real property owned, leased, or otherwise managed by the Federal Government, both within and outside the United States, and improvements on Federal lands.” This FY 2009 report examines summary-level reports of real property data as reported by executive agencies required to submit annual data to the Federal Real Property Profile (FRPP).

More information on the Federal real property initiative, as well as an electronic version of this report and additional statistics on the real property portfolio, can be accessed from the FRPP Summary Report Library, at [www.gsa.gov/frppreports](http://www.gsa.gov/frppreports).

The Federal Government is the largest property owner and energy user in the United States and thus holds a unique responsibility for properly maintaining its real property assets, as well as managing the taxpayer dollars needed for the operation of its assets. The February 2004 signing of Executive Order (EO) 13327, "Federal Real Property Asset Management," mandated that executive branch departments and agencies improve their real property asset management. Specifically, the EO requested that agencies "recognize the importance of real property resources through increased management attention, the establishment of clear goals and objectives, improved policies and levels of accountability, and other appropriate action." In support of this improved asset management, EO 13327 mandated that these agencies:

- Promote efficient and economical use of real property.
- Increase agency accountability and management attention to real property reform.
- Establish clear real property goals and objectives.

EO 13327 also required that the U.S. General Services Administration establish the Federal Real Property Profile (FRPP), which acts as the Federal Government's only database of all real property under the custody or control of executive branch agencies, except when exempted for reasons of national security. All executive branch departments and agencies subject to the Chief Financial Officers (CFO) Act of 1990 are required to submit real property data at the constructed asset level to the FRPP on an annual basis.

Recognizing the link between effective real property asset management and the reduction of greenhouse gas emissions (GHG), EO 13514, "Federal Leadership in Environmental, Energy, and Economic Performance" was signed on October 5, 2009. EO 13514 expanded on Federal energy reduction and environmental performance requirements set in EO 13423, as well as outlined specific management strategies to improve sustainability, including managing existing buildings to reduce energy, water, and materials consumption.

To further demonstrate the Federal Government's need for more effective real property management, the Presidential Memorandum "Disposing of Unneeded Federal Real Estate – Increasing Sales Proceeds, Cutting Operating Costs, and Improving Energy Efficiency" was issued on June 10, 2010. The Memorandum directed executive departments and agencies to accelerate their efforts to identify and eliminate excess properties, as well as take immediate steps to make better use of remaining real property assets as measured by utilization and occupancy rates, annual operating costs, energy efficiency, and sustainability. The Memorandum required agencies to eliminate lease arrangements that are not cost effective; streamline current processes to accelerate the identification of excess assets and the disposal of surplus assets; pursue consolidation opportunities within and across agencies in common asset types; increase occupancy rates in facilities; combine the acquisition of new space with a corresponding reduction in existing space; and increase the efficiency of remaining real property assets.

The Memorandum also required that agencies should save no less than \$3 billion in cost reductions by the end of fiscal year (FY) 2012. As directed by guidance that is to be issued by the Office of Management and Budget (OMB) and the Federal Real Property Council (FRPC), agencies' cost savings should result from reduced operating, maintenance, and energy expenses from disposals or other space consolidation efforts. By following the guidelines set forth in the Memorandum and managing its real property portfolio in a more cost- and energy-efficient manner, the Federal Government will make better use of its assets, accelerate efforts to eliminate excess properties, reduce energy, water, and greenhouse gas emissions, and contribute to the elimination of all forms of government waste.

Data submitted by executive agencies to the FRPP in FY 2009 show that the Federal real property inventory can be vastly improved through effective real property asset management. Agencies reported a significant increase

in the number of under utilized and unneeded building assets. The continued maintenance and operation of such under-utilized and unneeded assets contributes to the unnecessary spending of taxpayer dollars.

In FY 2009, the 24 agencies required to submit data (those same agencies subject to the Chief Financial Officers [CFO] Act), reported a total of 429,000 Federal building assets, marking an increase of 23,000 total Federal building assets reported in FY 2008. In FY 2009, required agencies reported a total of 3.34 billion square feet of building assets, marking an increase of 71 million square feet in the total area of building assets since FY 2008.

	FY 2008	FY 2009
Total Federal Building Assets <sup>1</sup>	406,000	429,000
Total Area of Building Assets <sup>2</sup>	3.26 billion square feet	3.34 billion square feet

In addition to reporting an increase in the number of total Federal building assets and total area of building assets, agencies also reported an increase in the number, square footage, and annual operating costs of under utilized building assets since the FY 2008 reporting cycle.

Reporting Year	Number of Under Utilized Buildings	Total Square Feet of Under Utilized Buildings	Annual Operating Costs of Under Utilized Buildings
FY 2008	43,360	337,054,200	\$1,026,816,220
FY 2009	45,190	341,113,410	\$1,662,673,190

The FY 2009 number of excess building assets, total square footage of excess building assets, and annual operating costs of excess building assets all showed an increase as compared to FY 2008 data.

Reporting Year	Number of Excess Buildings	Total Square Feet of Excess Buildings	Total Annual Operating Costs of Excess Buildings
FY 2008	10,140	42,603,310	\$133,128,600
FY 2009	10,327	43,536,099	\$133,723,300

As stated in the Memorandum, agencies should take immediate steps to make better use of remaining real property assets as measured by utilization and occupancy rates. For example, by making just a five percent cut in the FY 2009 total annual operating costs of excess buildings reported, the Federal Government could save \$6.69 million in annual operating costs.

In terms of FY 2009 FRPP disposal data, agencies reported disposing of a total 19,460 disposed assets, which included 11,696 building assets comprising a total of 46.29 million gross square feet; 7,410 structures; and 354 land records, which constituted 101,160 acres.<sup>3</sup>

Asset Type	Number of Assets Disposed in FY 2009
Building	11,696
Structure	7,410
Land	354
<b>Total</b>	<b>19,460</b>

In comparison, agencies disposed of a total 24,682 assets in FY 2008, which shows that agencies must accelerate efforts and cycle times in the identification and disposal of excess assets.

In FY 2009, Federal agencies disposed of excess real property with annual operating costs totaling approximately \$149 million, which contributes to the fact that since FY 2006, the Federal Government has disposed of unneeded real property assets with a combined total of nearly \$875 million in annual operating costs. As stated in the Presidential Memorandum, the income generated from the sales of these unneeded assets, as well as the savings from annual operating costs, will help reach the cost savings goals outlined in the Memorandum.

<sup>1</sup> May include multiple leases in one building.

<sup>2</sup> All square feet data is represented in gross square feet.

<sup>3</sup> EO 13327 does not require the reporting of data for public domain lands and certain other asset types. Therefore, the FRPP land data represents a subset of the Federal Government's total land acreage.

Finally, in FY 2009, both the annual operating costs and total square feet of leased buildings showed a significant increase as compared to the FY 2008 data.

<b>Leased Buildings</b>			
	<b>Annual Operating Costs</b>	<b>Total Square Feet (SF)</b>	<b>Annual Operating Costs/SF</b>
FY 2008	\$6,654,501,000	550,620,000	\$12.09
FY 2009	\$8,119,255,000	634,513,000	\$12.80

When calculated, the FY 2009 average annual operating costs per square foot of leased buildings was \$12.80, as compared to \$12.09 in FY 2008. The Memorandum clearly states that in order to meet the \$3 billion in cost savings goal, agencies must eliminate lease arrangements that are not cost effective.

While the establishment of the FRPP has allowed individual agencies and the Federal Government to more effectively track and examine real property assets, FRPP data has shown that the Federal Government currently maintains more real property assets than are needed to effectively support agency programs and missions. The operation and maintenance of unneeded and under utilized buildings result in the unnecessary annual operating costs associated with such buildings. The Federal Government must improve its real property asset management by identifying and disposing of unneeded real property and making more efficient use of existing assets.

## A Call for Improved Real Property Asset Management

As the largest property owner and energy user in the United States, the Federal Government holds a unique responsibility for properly maintaining real property assets, as well as ensuring the effective expenditure of taxpayer dollars and energy resources needed for the operation of these assets.

The Federal Government's need to effectively and efficiently maintain its assets is the focus of Executive Order (EO) 13327, "Federal Real Property Asset Management," issued in February 2004. EO 13327 mandated that executive branch departments and agencies improve their real property asset management and specifically requested that agencies "recognize the importance of real property resources through increased management attention, the establishment of clear goals and objectives, improved policies and levels of accountability, and other appropriate action."

EO 13327 also called for the creation of the Federal Real Property Council (FRPC), which is chaired by the Office of Management and Budget (OMB) and made up of Senior Real Property Officers from each executive branch agency. The FRPC works to provide appropriate Federal real property guidance and evaluate actual progress in the implementation of real property enhancements.

The EO also required that the U.S. General Services Administration establish a single, comprehensive, and descriptive database of all real property under the custody or control of executive branch agencies, except when exempted for reasons of natural security. The Federal Real Property Profile (FRPP) was developed under this mandate. All executive branch departments and agencies subject to the Chief Financial Officers (CFO) Act of 1990 are required to submit real property data at the constructed asset level to the FRPP on an annual basis. By consolidating government real property

data collection into the FRPP system, the Federal Government is poised to improve real property decision making with accurate and reliable governmentwide data, as well as benchmark Federal real property assets using FRPP data.

## Building on Past Efforts to Accelerate Real Property Asset Management Improvements

The establishment of the FRPP has allowed the Federal Government to improve the asset management of Federal real property over the past few years; however, a considerable amount of work must still be accomplished. The Federal Government currently maintains more real property assets than are needed to effectively support agency programs and missions. Many properties needed to carry out the Federal Government's work are not operated in an efficient manner, resulting in wasted funds and greenhouse gas (GHG) pollution. Efforts towards improving real property asset management must include disposing of excess real property and making more efficient use of existing assets.

The link between effective real property management and the reduction of GHG emissions led to the formulation and October 5, 2009 issuance of EO 13514, "Federal Leadership in Environmental, Energy, and Economic Performance," which expands on the energy reduction and environmental performance requirements for Federal agencies identified in EO 13423. EO 13514 outlines GHG reduction goals and presents a number of requirements Federal agencies must meet to achieve those goals. The EO also outlines specific management strategies to improve sustainability, including managing existing buildings to reduce energy, water, and materials consumption.

## Implementing Improved Real Property Management: Presidential Memorandum on Disposing of Unneeded Federal Real Estate

On June 10, 2010, a Presidential Memorandum entitled “Disposing of Unneeded Federal Real Estate – Increasing Sales Proceeds, Cutting Operating Costs, and Improving Energy Efficiency” was issued. This Memorandum directs executive departments and agencies to accelerate their efforts to identify and eliminate excess properties, as well as take immediate steps to make better use of remaining real property assets as measured by utilization and occupancy rates, annual operating costs, energy efficiency, and sustainability.

Specifically, the Memorandum requires agencies to:

- Eliminate lease arrangements that are not cost effective.
- Streamline current processes to accelerate the identification of excess assets and disposal of surplus assets.
- Pursue consolidation opportunities within and across agencies in common asset type types (such as data centers, office space, warehouses, and laboratories).
- Increase occupancy rates in facilities through innovative approaches to space management and alternative work arrangements, such as telework.
- Combine acquisition of new space with a corresponding reduction in existing space.
- Increase the efficiency of remaining real property assets through saving energy and water, as well as reducing greenhouse gas emissions.

All agency actions taken under the Memorandum must align with and support the actions to measure and reduce resource use and GHG emissions in Federal

facilities pursuant to EO 13514, “Federal Leadership in Environmental, Energy, and Economic Performance,” issued on October 5, 2009, as well as the Federal Data Center Consolidation Initiative, announced by OMB in February 2010.

## Producing Cost Savings through Effective Real Property Management

The Memorandum on disposing of unneeded Federal real property requires that agencies achieve no less than \$3 billion in cost savings by the end of fiscal year (FY) 2012. Cost savings should result from increased proceeds from the sale of assets and reduced operating, maintenance, and energy expenses from disposals or other space consolidation efforts. The Memorandum calls for OMB and the FRPC to produce guidance for actions that agencies should take to carry out Memorandum requirements and achieve \$3 billion in cost reductions.

The Federal Government’s implementation of more cost- and energy-efficient real property asset management will allow the Federal Government to make better use of mission critical assets, accelerate efforts to eliminate excess properties, save energy, water, and taxpayer dollars, reduce GHG emissions, and move forward in the overall effort to eliminate all forms of government waste.



**A**s the only governmentwide database of all real property under the custody or control of executive branch agencies, the FRPP holds a wealth of information that can be used to track progress towards the \$3 billion goal and identify areas of concern within the inventory that could lead to better-informed real property decisions.

Current and future governmentwide real property asset management improvements should focus on disposing of unneeded real property, reducing the number of lease holdings in the governmentwide inventory, improving utilization of existing assets, and reducing annual operating costs of existing assets.

## Governmentwide Real Property Buildings

In FY 2009, the 24 agencies required to submit data (those same agencies subject to the CFO Act)<sup>4</sup>, reported a total of 429,000 Federal building assets and 3.34 billion square feet of building assets.

	FY 2008	FY 2009
Total Federal Building Assets <sup>5</sup>	406,000	429,000
Total Area of Building Assets <sup>6</sup>	3.26 billion square feet	3.34 billion square feet

Compared to FY 2008 data, agencies reported an additional 23,000 Federal building assets, which translates to a 5.66 percentage increase in the number of building assets, and an increase of 71 million square feet in the total area of building assets. The total worldwide Federal buildings inventory includes those assets in U.S. states, the District of Columbia, and U.S. territories, as well as foreign assets.<sup>7</sup>

In FY 2009, the Federal Government owned 83 percent of buildings by square footage and leased 13 percent of buildings by square footage, while the remaining four percent of buildings by square footage were reported as otherwise managed.

Legal Interest	FY 2008 SF (mil)	FY 2009 SF (mil)	Percentage of Difference
Owned	2,431.6	2,376.2	-2.28%
Leased	289.3	385.4	33.22%
Otherwise Managed	109.6	116.0	5.94%
<b>Total Square Feet</b>	<b>2,830.5</b>	<b>2,877.6</b>	<b>1.66%</b>

From FY 2008 to FY 2009, the owned buildings inventory decreased by a modest 2.28 percent, while the leased and otherwise managed buildings inventory increased by

almost 40 percent. The FY 2008 and FY 2009 Legal Interest of domestic buildings by square footage is also shown in Figure 1 in Appendix A of this report.

The Federal Government's real property portfolio differs greatly from the private sector's real estate portfolio, due to the Government's diverse agency missions, real estate needs, and asset uses. Real Property Use, one of the FRPC-defined data elements, indicates each asset's predominant use.<sup>8</sup> Agencies reported the FY 2009 top seven predominant uses of building assets by square footage as Office, Warehouses, Service, Family Housing, Dormitories/Barracks, School, and Other Institutional Uses, as shown in Figures 2 and 3 of Appendix A.

Predominant Use	FY 2008 SF (mil)	FY 2009 SF (mil)
Office	728.6	740.8
Warehouses	457.3	460.4
Service	415.0	416.2
Family Housing	298.7	364.9
Dormitories/Barracks	266.6	271.2
School	244.6	251.7
Other Institutional Uses	223.6	221.4
Laboratories	166.1	168.3
Industrial	134.2	131.2
Hospital	126.2	129.7
All Remaining Uses	199.8	183.6
<b>Total Square Feet</b>	<b>3,260.7</b>	<b>3,339.4</b>

Together, the top seven building predominant uses make up 82 percent of buildings by square footage.

<sup>4</sup> Refer to Appendix B of this report for a list of the CFO Act agencies.

<sup>5</sup> May include multiple leases in one building.

<sup>6</sup> All square feet data is represented in gross square feet.

<sup>7</sup> U.S. assets are located within the 50 states and District of Columbia. Assets in U.S. territories include all those located in American Samoa, Baker Island, Federated States of Micronesia, Guam, Howland Island, Jarvis Island, Johnston Atoll, Kingman Reef, Midway Islands, Northern Mariana Islands, Palmyra Atoll, Republic of Palau, Puerto Rico, the U.S. Virgin Islands, U.S. Minor Outlying Islands, and Wake Island. Foreign assets are located outside the U.S. and its territories.

<sup>8</sup> For a full list of building predominant uses, refer to Appendix C of this report.

## Disposal of Unneeded Real Property

Federal agencies dispose of unneeded real property assets in the effort to right-size their inventories and manage their portfolios in the most efficient and cost-effective manner. The disposal process, as mandated by Federal laws and EOs, can be found in Appendix D of this report.

Agencies were required to report to the FRPP all assets that have exited the Federal portfolio via the disposal process during the reporting fiscal year.

Asset Type	Number of Assets Disposed in FY 2009
Building	11,696
Structure	7,410
Land	354
<b>Total</b>	<b>19,460</b>

In FY 2009, agencies reported a total of 19,460 disposed assets, which included 11,696 building assets with a total of 46.29 million gross square feet; 7,410 structures; and 354 land records, which constituted 101,160 land acres.

Agencies were required to report the method in which each asset was disposed. Disposition methods include Sale, Federal Transfer, Public Benefit Conveyance, Demolition, and Other.<sup>9</sup> Also shown in Figure 4 in Appendix A, in FY 2009, the three most frequently used

disposal methods – Demolition, Other, and Sale – together accounted for approximately 94 percent of the total Annual Operating Costs of disposed assets, while Federal Transfer and Public Benefit Conveyance together accounted for the other six percent.

Agencies reported Net Proceeds as proceeds received as part of the asset disposal less any disposal costs incurred by the agency. For the Sale disposition method, Net Proceeds represents the disposition value (sales price) of the disposed asset minus any disposal costs incurred. Net Proceeds from Sale is the only instance in which the Government receives actual funds from disposition. In FY 2009, Federal agencies sold 2,200 assets that resulted in \$50.2 million in Net Proceeds.

In FY 2009, Federal agencies disposed of excess real property with annual operating costs totaling approximately \$149 million. Disposing of these assets promotes more efficient real property use by redirecting operating costs of excess real property to more mission critical assets.

The Presidential Memorandum specifically directs agencies to increase income generated through the disposition of real property assets. The income generated from the sales of these unneeded assets, combined with the savings from annual operating costs, will represent a key contribution to the \$3 billion goal outlined in the Memorandum.

Disposition Method	FY 2008 Number of Disposed Assets	FY 2008 Annual Operating Costs	FY 2009 Number of Disposed Assets	FY 2009 Annual Operating Costs
Demolition	3,181	\$47,383,600	8,104	\$81,895,200
Other	17,939	\$54,513,000	8,008	\$47,401,100
Federal Transfer	2,614	\$13,646,900	1,037	\$3,566,000
Sale	835	\$3,149,300	2,200	\$13,450,900
Public Benefit Conveyance	113	\$923,300	111	\$2,882,300
<b>Totals</b>	<b>24,682</b>	<b>\$119,616,100</b>	<b>19,460</b>	<b>\$149,195,500</b>

<sup>9</sup> The Other disposition method is used to report those disposed assets that cannot be classified in any of the other disposition methods.

## Utilization of Federal Building Assets and Number of Excess Federal Building Assets

According to FRPC guidance, Utilization means the extent to which a property is used to its fullest capacity. Current design capacity is defined as the maximum capacity at which an asset, facility, or system can operate, regardless of statutory, regulatory, contractual, or other conditions or restrictions. Categories and percent utilization used to determine the rate of utilization can be found in Figure 5 of Appendix A in this report.

Agencies were required to report Utilization for the six building predominant use categories of Office, Hospital, Warehouses, Laboratories, Dormitories/Barracks, and Family Housing.

Reporting Year	Number of Under Utilized Buildings	Total Square Feet of Under Utilized Buildings	Annual Operating Costs of Under Utilized Buildings
FY 2008	43,360	337,054,200	\$1,026,816,220
FY 2009	45,190	341,113,410	\$1,662,673,190

In FY 2009, agencies reported a total of 45,190 under utilized buildings with a total of 341.11 million square feet and \$1.66 billion in annual operating costs, as compared to a total of 43,360 under utilized buildings with a total of 337.05 million square feet and \$1.03 billion in annual operating costs in FY 2008.

Agencies were also required to report the number of excess building assets in their inventories. As defined by FRPC guidance, excess assets are those assets that have no further program use by the landholding agency.

Reporting Year	Number of Excess Buildings	Total Square Feet of Excess Buildings	Total Annual Operating Costs of Excess Buildings
FY 2008	10,140	42,603,310	\$133,128,600
FY 2009	10,327	43,536,099	\$133,723,300

In FY 2009, executive agencies reported a total of 10,327 excess building assets with total square footage of 43.54 million square feet and total annual operating costs of \$133.72 million. In comparison, in FY 2008, executive agencies reported a total of 10,140 excess building assets with total square footage of 42.60 million square feet and total annual operating costs of \$133.13 million. Therefore, agencies reported an increase in the number of excess buildings, total square footage of excess buildings, and total annual operating costs of excess buildings between FY 2008 and FY 2009.

The Memorandum on disposing of unneeded Federal real property states that agencies should take immediate steps to make better use of remaining real property assets as measured by utilization and occupancy rates. Agencies should work to use a property to its fullest capacity and make informed and responsible decisions pertaining to a property that is not utilized or under utilized, such as disposing of surplus or not utilized assets. The Memorandum also calls for agencies to make better use of real property assets as measured by occupancy rates by exploring innovative approaches to space management and alternative workplace arrangements, such as telework.

## Lease Holdings and Annual Operating Costs in Federal Buildings

According to FRPC guidance, a constructed asset's annual operating costs consist of the following:

- Recurring maintenance and repair costs
- Utilities (includes plant operation and purchase of energy)
- Cleaning and/or janitorial costs (includes pest control, refuse collection, and disposal to include recycling operations)
- Roads/grounds expenses (includes grounds maintenance, landscaping, and snow and ice removal from roads, piers, and airfields)

When reporting the annual operating costs for leased assets, agencies report the full annual lease costs, including base rent and operating costs, plus any additional government operating expenses not covered in the lease contract.

In FY 2009, executive branch agencies reported leased buildings with a total of 634.51 million square feet and total annual operating costs of \$8.12 billion.

Leased Buildings			
	Annual Operating Costs	Total Square Feet (SF)	Annual Operating Costs/SF
FY 2008	\$6,654,501,000	550,620,000	\$12.09
FY 2009	\$8,119,255,000	634,513,000	\$12.80

The annual operating costs per square foot of leased buildings was \$12.80 in FY 2009. In FY 2008, executive branch agencies reported a total of 550.62 million square feet of leased buildings with total annual operating costs of \$6.65 billion, making the annual operating costs per square foot of leased buildings \$12.09 in FY 2008. Figure 5 in Appendix A of this report also shows the FY 2008 and FY 2009 annual operating costs for leased buildings by square footage.

The Memorandum on Federal real property explicitly states that, in order to meet the \$3 billion in cost savings goal, agencies must eliminate lease arrangements that are not cost effective. The FY 2009 FRPP data shows an increase in both total square feet and annual operating costs associated with Federal leased buildings. The Federal Government must focus on eliminating unneeded lease arrangements and making better use of existing space, as well as pursuing consolidation opportunities within and across agencies.

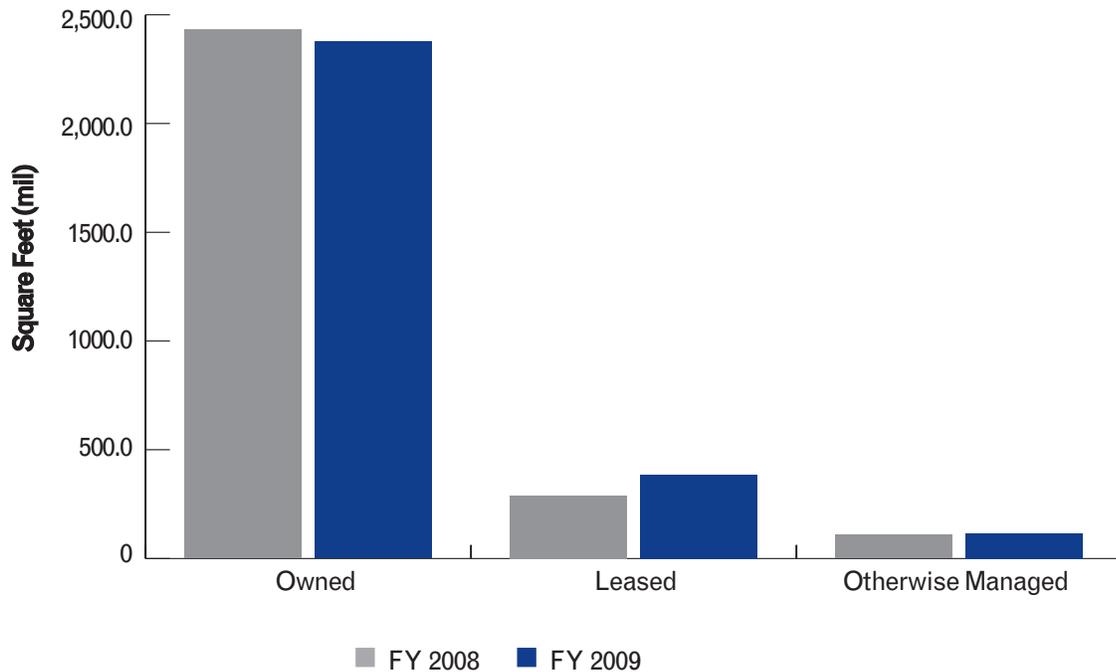


The issuance of EO 13327 and EO 13514, bolstered by the June 10, 2010 Presidential Memorandum “Disposing of Unneeded Federal Real Estate – Increasing Sales Proceeds, Cutting Operating Costs, and Improving Energy Efficiency,” all express the need for vast improvement in Federal real property asset management. Agencies must collect accurate and reliable real property data and report that data to the FRPP on an annual basis. However, agencies must also go beyond their FRPP reporting requirements by inspecting their real property inventories to effectively manage their real property.

The Federal Government must do nothing less than transform real property asset management. Currently, the Federal Government maintains more real property assets than are needed to effectively support agency programs and missions. Agencies must dispose of excess real estate, make more efficient use of existing assets, eliminate ineffective lease arrangements, and explore innovative approaches to space management and alternative workspace arrangements.

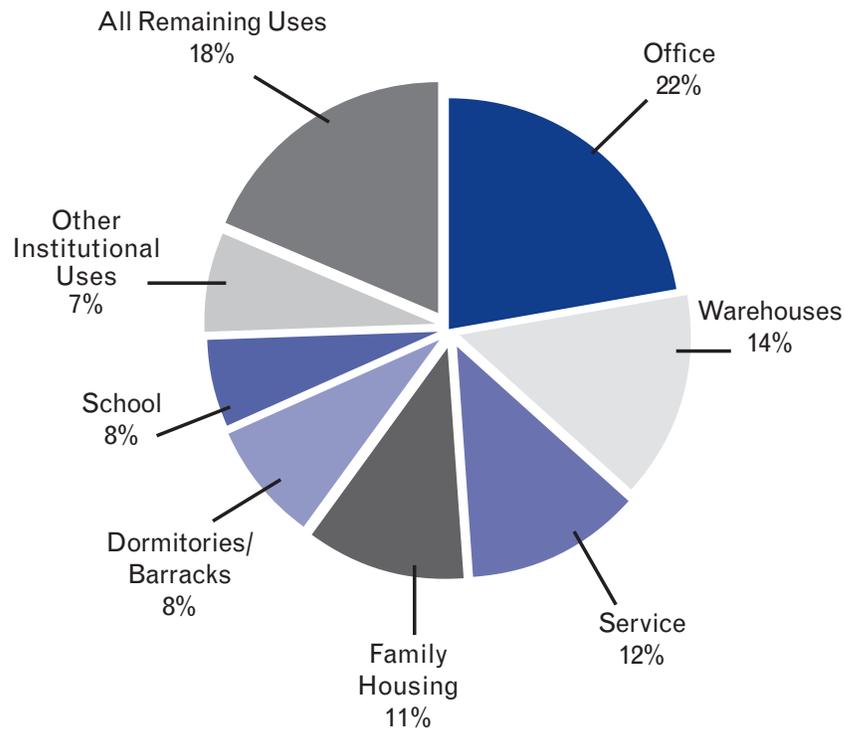
# Sample of FY 2009 Governmentwide Data Reported to the FRPP

Figure 1. Legal Interest of Domestic Buildings by Square Footage:  
FY 2008 and FY 2009



Legal Interest	FY 2008 SF (mil)	FY 2009 SF (mil)	Percentage of Difference
Owned	2,431.6	2,376.2	-2.28%
Leased	289.3	385.4	33.22%
Otherwise Managed	109.6	116.0	5.94%
<b>Total Square Feet</b>	<b>2,830.5</b>	<b>2,877.6</b>	<b>1.66%</b>

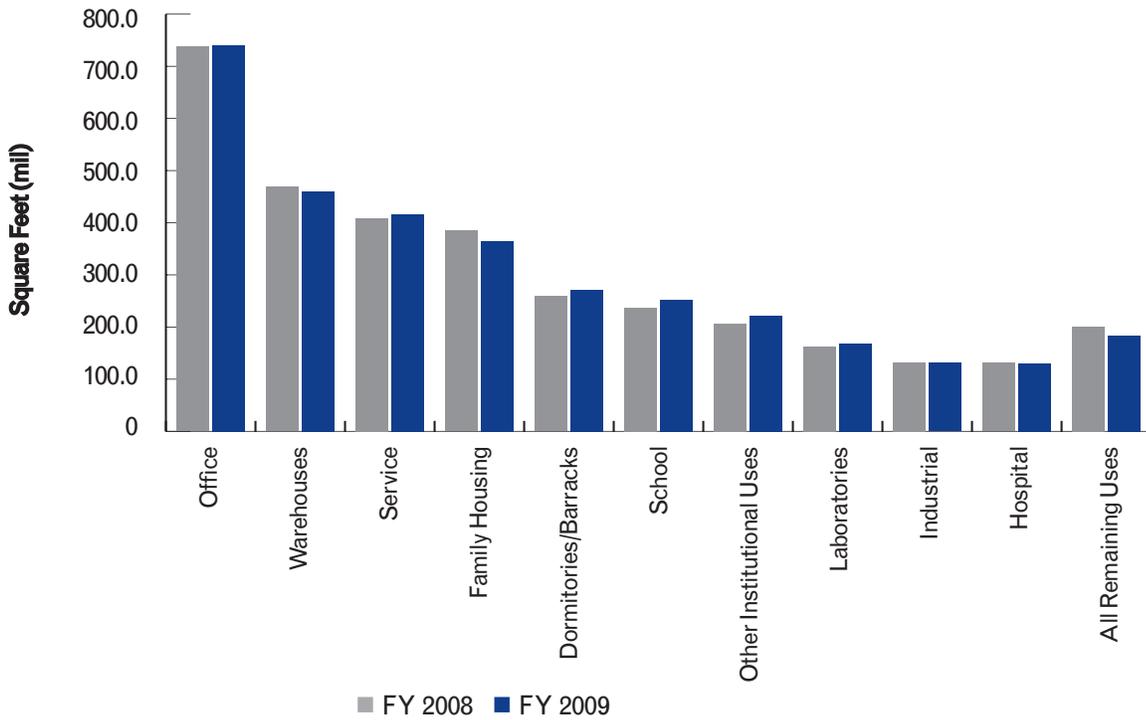
Figure 2. FY 2009 Predominant Use of Buildings by Square Footage



Predominant Use	FY 2009 SF (mil)
Office	740.8
Warehouses	460.4
Service	416.2
Family Housing	364.9
Dormitories/Barracks	271.2
School	251.7
Other Institutional Uses	221.4
All Remaining Uses*	612.8
<b>Total Square Feet</b>	<b>3,339.4</b>

\* The All Remaining Uses category on this page includes the following building predominant uses: All Other (which captures those buildings that are not included in any of the other 15 building predominant use codes); Communications Systems; Hospital; Industrial; Laboratories; Museum; Navigation and Traffic Aids; Post Office; and Prisons and Detention Centers.

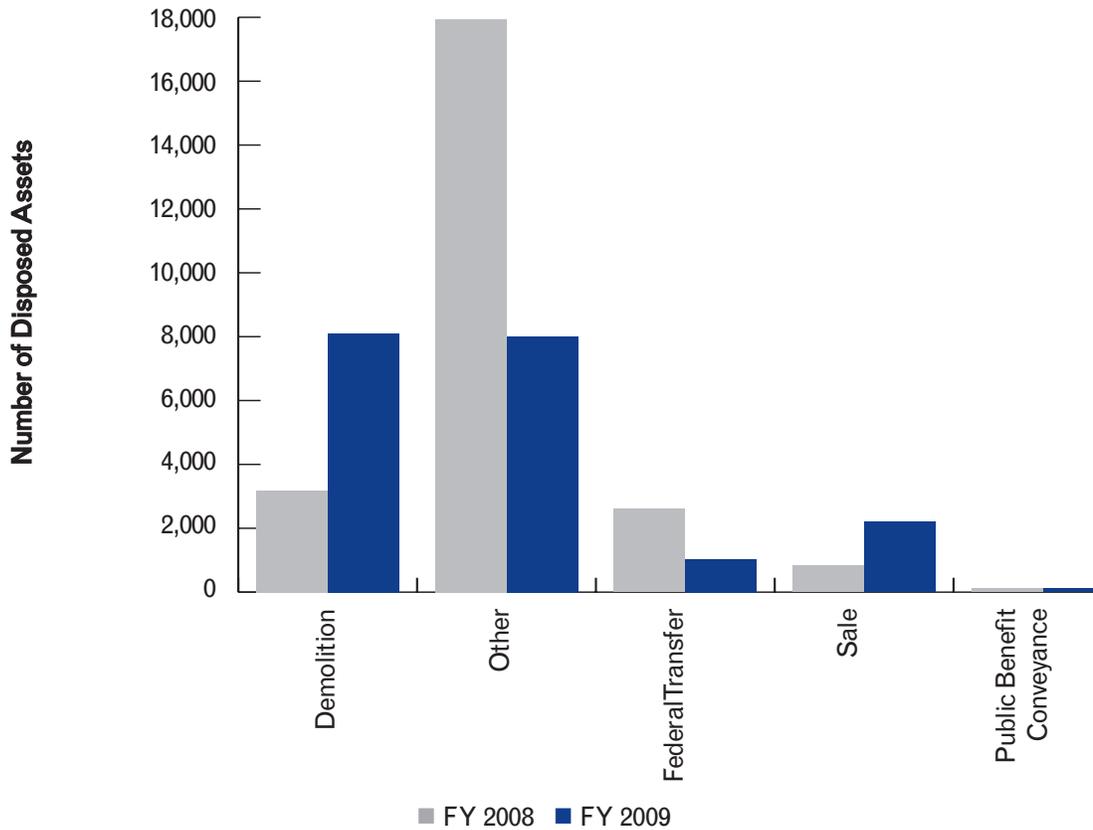
Figure 3. Predominant Use of Buildings by Square Footage: FY 2008 and FY 2009



Predominant Use	FY 2008 SF (mil)	FY 2009 SF (mil)
Office	728.6	740.8
Warehouses	457.3	460.4
Service	415.0	416.2
Family Housing	298.7	364.9
Dormitories/Barracks	266.6	271.2
School	244.6	251.7
Other Institutional Uses	223.6	221.4
Laboratories	166.1	168.3
Industrial	134.2	131.2
Hospital	126.2	129.7
All Remaining Uses *	199.8	183.6
<b>Total Square Feet</b>	<b>3,260.7</b>	<b>3,339.4</b>

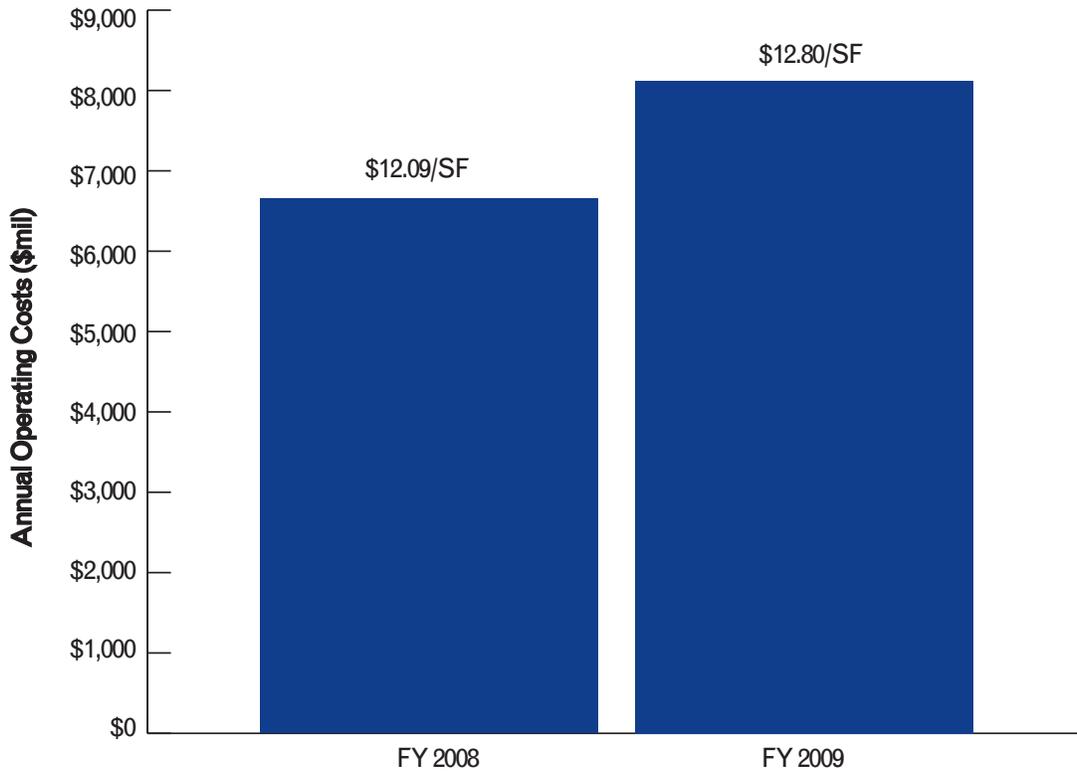
\* The All Remaining Uses category on this page includes the following building predominant uses: All Other (which captures those buildings that are not included in any of the other 15 building predominant use codes); Communications Systems; Museum; Navigation and Traffic Aids; Post Office; and Prisons and Detention Centers.

Figure 4. Disposition Method by Annual Operating Costs and Number of Disposed Assets: FY 2008 and FY 2009



Disposition Method	FY 2008 Number of Disposed Assets	FY 2008 Annual Operating Costs	FY 2009 Number of Disposed Assets	FY 2009 Annual Operating Costs
Demolition	3,181	\$47,383,600	8,104	\$81,895,200
Other	17,939	\$54,513,000	8,008	\$47,401,100
Federal Transfer	2,614	\$13,646,900	1,037	\$3,566,000
Sale	835	\$3,149,300	2,200	\$13,450,900
Public Benefit Conveyance	113	\$923,300	111	\$2,882,300
<b>Totals</b>	<b>24,682</b>	<b>\$119,616,100</b>	<b>19,460</b>	<b>\$149,195,500</b>

Figure 5: Annual Operating Costs for Leased Buildings by Square Footage: FY 2008 and FY 2009



Leased Buildings			
Reporting Year	Annual Operating Costs	Total Square Feet (SF)	Annual Operating Costs/SF
2008	\$6,654,501,000	550,620,000	\$12.09
2009	\$8,119,255,000	634,513,000	\$12.80

## CFO Agencies

The following agencies are required to submit data to the FRPP under EO 13327 and sections 901(b)(1) and (b)(2) of title 31, United States Code.

- Department of Agriculture
- Department of Commerce
- Department of Defense (includes Air Force, Army, Corps of Engineers, and Navy)
- Department of Education\*
- Department of Energy
- Department of Health and Human Services
- Department of Homeland Security
- Department of Housing and Urban Development\*
- Department of the Interior
- Department of Justice
- Department of Labor
- Department of State
- Department of Transportation
- Department of the Treasury
- Department of Veterans Affairs
- Environmental Protection Agency
- General Services Administration
- National Aeronautics and Space Administration
- National Science Foundation
- Nuclear Regulatory Commission\*
- Office of Personnel Management
- Small Business Administration\*
- Social Security Administration\*
- United States Agency for International Development

*\*The following agencies obtain and use real estate through GSA: Department of Education, Department of Housing and Urban Development, Nuclear Regulatory Commission, Small Business Administration, and Social Security Administration. Consequently, those agencies did not report any real property assets to the FRPP in FY 2009; these assets are reported by GSA.*

## Predominant Use Categories and Definitions for Buildings

- **Office:** Buildings primarily used for office space or military headquarters.
- **Post Office:** Buildings or portions of buildings used as a Post Office.
- **Hospital:** Buildings used primarily for furnishing in-patient diagnosis and treatment under physician supervision and having 24-hour-a-day registered graduate nursing services. This category also includes medical laboratories used for routine testing. This category excludes buildings used directly in basic or applied medical research.
- **Prisons and Detention Centers**
- **School:** Buildings used primarily for formally organized instruction, such as schools for dependent children of Federal employees, Indian schools, and military training buildings including specialized training facilities.
- **Museum:** Buildings used for the housing and/or display of tangible objects or collections for the purpose of displaying said objects or collections for public view and benefit on a regular basis.
- **Other Institutional Uses:** Buildings used for institutional purposes other than schools, hospitals, and prisons, such as libraries, chapels, and out-patient clinics. This category also includes food preparation and dining facilities, buildings housing entertainment and recreational activities, and visitor's centers.
- **Family Housing:** Buildings primarily used as dwellings for families/dependents. Includes apartment houses, single houses, row houses, public housing, military personnel housing, Federal employee housing, and housing for institutional personnel.
- **Dormitories/Barracks:** Buildings primarily used as dwellings for housing individuals (without families/dependents).
- **Warehouses:** Buildings used for storage, such as ammunition storage, covered sheds, and buildings primarily used for storage of vehicles or materials. Also included are underground or earth covered ammunition storage bunkers and magazines. This category excludes water reservoirs and petroleum, oil, and lubricant (POL) storage tanks which are storage structures.
- **Industrial:** Buildings specifically designed and primarily used for production or manufacturing, such as the production or manufacture of ammunition, aircraft, ships, vehicles, electronic equipment, fish production, chemicals, aluminum, and magnesium. Included are buildings that house utility plants or utility system components such as pump stations or valves.
- **Service:** Buildings used for service activities, such as maintenance and repair shops, dry cleaning plants, post exchange stores, airport hangars, and buildings primarily used for vehicle maintenance and repair.
- **Communications Systems:** Buildings used for telephone and telegraph systems, data transmission, satellite communications, and/or associated with radio towers or other communications facilities.
- **Navigation and Traffic Aids:** Includes buildings that house aircraft or ship navigation and traffic aids, such as beacon lights, antenna systems, ground control approach systems, and obstruction lighting.
- **Laboratories:** Buildings used directly in basic or applied research in the sciences (including medicine) and in engineering, such as medical laboratories; meteorological research laboratories; and buildings used in designing, developing, and testing of prototypes and processes for chemistry and physics. This category excludes medical or industrial laboratories used for routine testing.
- **All Other:** Buildings that cannot be classified elsewhere.

## Federal Government Real Property Disposition Process

1. **Excess Property:** If a Federal agency no longer needs a property to carry out its mission, it reports this property as “excess” to GSA for disposal action.
2. **Federal Transfer:** GSA first offers excess property to other Federal agencies. If another Federal agency identifies a need for that property, the property can be transferred to that agency.
3. **Surplus Property:** If there is no further need for the property within the Federal Government, the property is determined “surplus.”
4. **Homeless/Public Benefit Conveyance:** After the property is determined as surplus, the Federal Government makes the property available for certain public uses. If a property is suitable to assist the homeless, as determined by the Department of Housing and Urban Development, the property must first be offered as a “homeless conveyance” before any other public uses may be considered. As a “public benefit conveyance” (PBC), the property can be substantially discounted in price (up to 100 percent reduction in fair market value) if it is to be used for a qualified public use. Types of PBCs include:
  - Public health or educational uses
  - Public parks and public recreational areas
  - Historic monuments
  - Homeless assistance
  - Correctional institutions
  - Port facilities
  - Public airports
  - Wildlife conservation
  - Self-help housing
  - Law enforcement and emergency management response
  - Negotiated sales to public agencies
5. **Negotiated Sale:** GSA can negotiate a sale at appraised fair market value with a state or local government if the property will be used for another public purpose. This transaction offers state or local governments the right of first refusal on a property before it is offered to the general public.
6. **Public Sale of Property:** If state and local governments or other eligible nonprofits do not wish to acquire the property, GSA can dispose of surplus property via a competitive sale to the public, generally through a sealed bid or an oral and/or online auction.



