

GAO Highlights

Highlights of [GAO-25-108400](#), a testimony before the Subcommittee on Financial Services and General Government, Committee on Appropriations, House of Representatives

Why GAO Did This Study

The federal government owns a massive portfolio of buildings and structures that costs billions of dollars to operate and maintain annually. The government's annual operating and maintenance costs for its 277,000 buildings exceeded \$10.3 billion in fiscal year 2023. Deferred maintenance and repair on these assets can affect agencies' abilities to support their missions.

Managing federal real property has remained on GAO's High-Risk List for 22 years. GAO added building condition as a high-risk topic within federal real property this year due to large increases in the cost of addressing deferred maintenance.

This statement explains why GAO placed building condition on the High-Risk List in 2025 and how the disposal of unneeded facilities could affect maintenance backlogs. It is based on GAO's prior work and reflects GAO's 2025 High-Risk update ([GAO-25-107743](#)).

What GAO Recommends

GAO has 57 open recommendations to a variety of agencies related to managing federal real property. Included among them, GAO made two recommendations to GSA in 2023 to improve the information it provides on its repair and maintenance backlog. GSA agreed with the recommendations and has taken steps to address them, but neither recommendation has been implemented yet.

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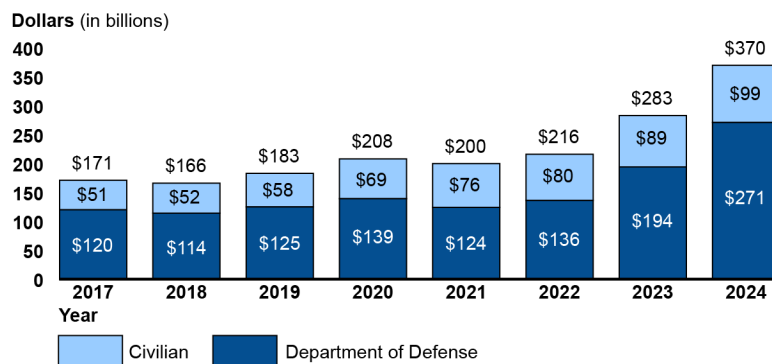
FEDERAL REAL PROPERTY

Disposing of Unneeded Facilities Could Help Reduce Maintenance Backlog

What GAO Found

In its 2025 High Risk List, GAO added building condition as a high-risk topic due in part to large increases in the cost of addressing deferred maintenance in federal buildings. Unless this trend reverses, federal assets will continue to deteriorate and need premature replacement, which can be significantly more expensive than if maintenance and repairs were done when originally scheduled. The Department of Defense and federal civilian building deferred maintenance and repair backlogs have more than doubled, from \$171 billion to \$370 billion, between fiscal years 2017 and 2024. In March 2025, the General Service Administration (GSA) noted that its deferred maintenance backlog exceeded \$17 billion and that addressing this issue was a top priority.

U.S. Department of Defense and Federal Civilian Agencies' Reported Estimates of Deferred Maintenance and Repairs, Fiscal Years 2017–2024



Source: GAO analysis of information from the U.S. Departments of the Treasury and Defense. | GAO-25-108400

As GAO reported in November 2023 ([GAO-24-105485](#)), GSA and three other agencies attributed increases in deferred maintenance and repair to factors including funding constraints; rising labor and materials costs; and the size and age of agencies' real property portfolios. GAO recommended steps for the federal agencies to improve how they communicate maintenance and repair needs to Congress and the public.

Retaining underused space costs millions of dollars and is one of the main reasons federal real property management has remained on GAO's High-Risk List since 2003. As recommended by GAO in October 2023 ([GAO-24-107006](#)), measuring the use of federal buildings and disposing of unneeded ones are essential. Federal agencies could then reduce their deferred maintenance needs because the government would no longer need to repair buildings it does not own.