

GAO Highlights

Highlights of [GAO-25-107050](#), a report to congressional committees

Why GAO Did This Study

As of December 2024, GSA managed about 7,500 leases that totaled about 174 million square feet and \$6 billion annually in rental payments. For almost 2 decades, brokers have supported GSA in acquiring leases—especially those that are high dollar-value and complex—with the expectation that brokers’ involvement will lead to cost avoidance for the federal government.

The National Defense Authorization Act for Fiscal Year 2020 includes a provision for GAO to review GSA’s use of brokers. This report examines: (1) recent trends in GSA leases and GSA’s use of brokers; (2) the extent to which GSA’s performance metrics for brokers align with key practices, and the extent to which brokers have met performance targets; and (3) the outcomes that GSA identified of exempting brokers from enhanced competition.

To address these objectives, GAO reviewed data on GSA’s leases and use of brokers from fiscal year 2016 through fiscal year 2024. GAO also compared GSA’s performance metrics for brokers with GAO key practices for procurement organizations, and reviewed GSA’s aggregated performance data for brokers from the second half of calendar year 2020 (when the current contract with brokers started) through calendar year 2023 (the last full year of data available). In addition, GAO reviewed documentation and interviewed officials from GSA, and interviewed representatives of the six brokers currently working with GSA.

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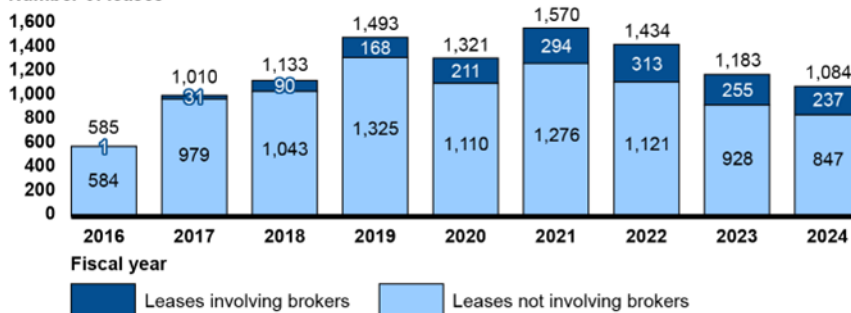
FEDERAL REAL PROPERTY

Brokers Were Involved in Fewer Leases in Recent Years and Generally Met Performance Targets

What GAO Found

The General Services Administration (GSA) is the main landlord and leasing agent for the federal government. GSA uses commercial real estate brokerage firms (brokers) to help lease space by, for example, negotiating lease rates and terms for federal agencies. GAO found that from fiscal year 2016 through fiscal year 2024, the length of leases, amount of square footage GSA leased, and rental rates fluctuated from year to year. GAO also found that the total number of leases GSA completed decreased in recent years (see figure). GSA officials and brokers told GAO that GSA pursued fewer leases in recent years due, in part, to federal agencies’ uncertainty about future space needs in the wake of the COVID-19 pandemic and their increased use of telework.

GSA Leases Involving and Not Involving Brokers, Fiscal Years 2016–2024
Number of leases



Source: GAO analysis of General Services Administration data. | GAO-25-107050

Note: GSA completed additional leases in fiscal years 2016 and 2017 but those leases were initiated prior to fiscal year 2016 and were outside the scope of review.

GSA assesses brokers on cost avoidance, schedule, and other performance metrics outlined in its contract with brokers. GAO found that the performance metrics for cost avoidance and schedule link to agency strategic goals and are outcome-oriented, in line with key practices for procurement organizations. Linking performance metrics to strategic goals enables GSA to ensure its brokers are helping to achieve those goals. GSA’s use of outcome-oriented performance metrics enables the agency to quantitatively measure the extent to which brokers are achieving desired outcomes, such as avoiding costs and staying on schedule. From July 2020 through 2023, brokers met almost all targets for cost avoidance and all targets for schedule.

From May 2020 to February 2023, pursuant to a 2019 law, GSA exempted brokers from “enhanced competition”—that is, brokers did not have to compete to provide services for task orders with broker commissions below a \$2 million threshold. GSA anticipated that the exemption would result in additional cost avoidance and improved broker performance. However, following a review of 16 completed projects, GSA found that the exemption did not result in these benefits. Based on the results of its review, GSA ended the exemption in February 2023 because it did not achieve anticipated benefits and was not in the best interest of the federal government, according to officials.