

Actions Needed to Better Ensure Efficient Leasing and Space Management in the Capital Region

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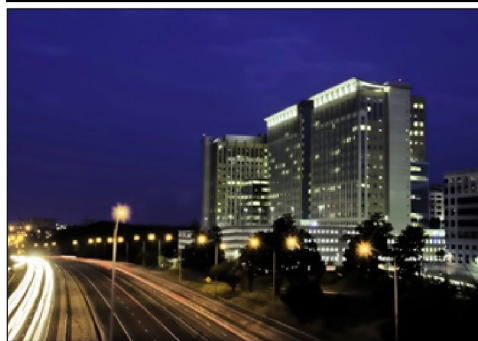
A report to congressional committees.

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What GAO Found

The Department of Defense (DOD) has periodically assessed its office space needs in the National Capital Region (NCR)—Washington D.C. and surrounding counties in Maryland and Virginia—often relying on usage data.

Examples of Large DOD Office Buildings in the National Capital Region



The Mark Center, Virginia



The Pentagon, Virginia

Source: U.S. Army/M. Barnes and Department of Defense (DOD)/Staff Sgt. J. Wright. | GAO-26-107818

In 2025, DOD issued guidance requiring collection of additional data on owned and leased office space usage, including the number of people occupying each workspace. However, GAO found that over half of DOD office spaces in the NCR had not reported occupancy data as of September 2025. Further, some of the submitted data likely included inaccuracies. GAO identified potential data entry errors and outliers in DOD data, and officials stated they were concerned whether data were free from error. Developing actions to enforce its guidance on the collection of occupancy data and establishing a process to ensure accuracy could help equip DOD with the data needed to consolidate unused space and reduce leasing costs.

DOD has established processes for entering into lease agreements in the NCR when government-owned space is not feasible but lacks key information for decision-making. For example, although Washington Headquarters Services has coordinated with the military departments on new leases, its inventory of leased office space did not include all DOD leased office space in the NCR, as of January 2026. GAO identified 17 leases executed by the military departments that were not included in the inventory. These leases constituted about 20 percent of leases and comprised over 492,000 square feet. Coordinating leases with the military departments would enable Washington Headquarters Services to better ensure the efficiency and economy of leasing decisions.

Washington Headquarters Services also does not have full visibility into the space available on military installations. Officials stated that they have relied on the military departments to coordinate with installations. Officials from the military departments told GAO they do not track or report available space. Establishing in guidance how Washington Headquarters Services is to coordinate with installations on available space, as DOD requires, should help DOD avoid entering into unnecessary leases and reduce costs.

Why GAO Did This Study

DOD managed about 35 million square feet of DOD-owned or leased office space in the NCR, as of March 2025. DOD's needs for and use of these spaces are dynamically changing, partly because of the return to in-person work and changing workforce needs.

The military departments are responsible for office space on their installations and may also execute leases. Washington Headquarters Services, within DOD, is responsible for space planning and management for office space outside installations and for reviewing leasing requests in the NCR.

House Report 118-125 includes a provision for GAO to review how DOD manages its real property needs in the NCR. This report evaluates the extent to which DOD has (1) assessed its office space needs and usage in the NCR and (2) established processes for entering into lease agreements for office space in the NCR.

GAO reviewed DOD needs assessments, occupancy data from April to September 2025, and leasing processes; interviewed DOD officials; and visited a non-generalizable sample of DOD-owned and -leased office spaces in the NCR.

What GAO Recommends

GAO is making four recommendations to DOD, including to develop actions for enforcing occupancy reporting, establish processes for accurate occupancy data, and improve coordination between Washington Headquarters Services and the military departments on leases. DOD concurred with one recommendation, partially concurred with two, and nonconcurred with one. GAO continues to believe DOD should fully implement all of the recommendations, as discussed in the report.