

Asset Management Challenges

David Foley

Deputy Commissioner

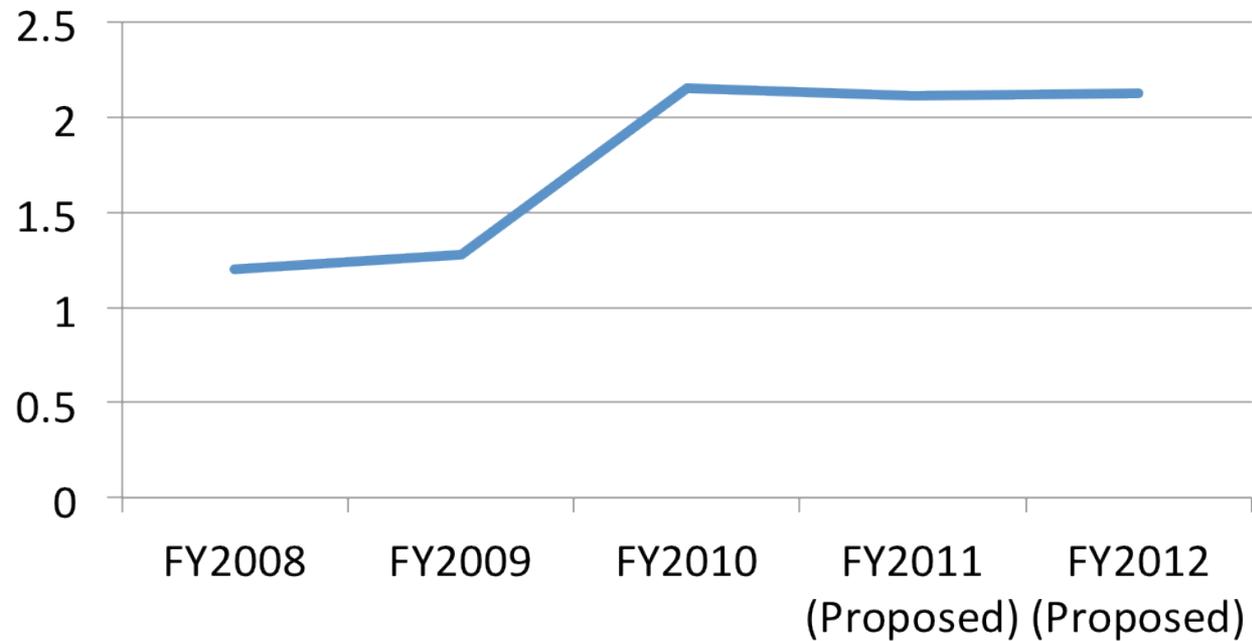
GSA's Public Buildings Service

April 28, 2011

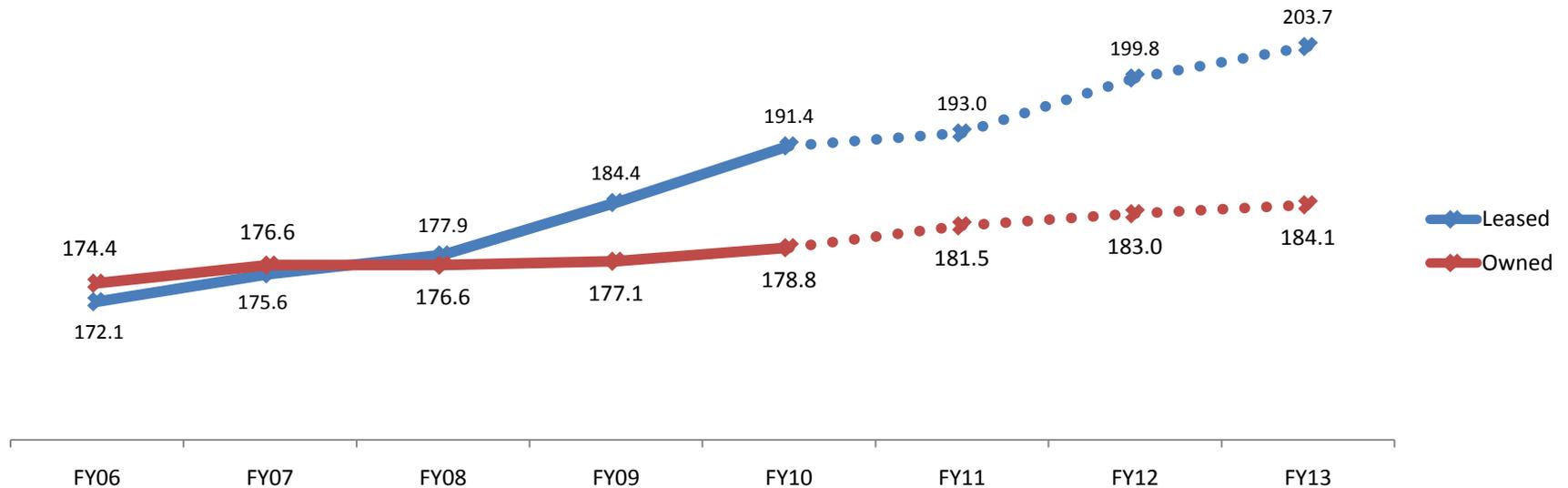
- **Portfolio of 9,624 Assets**
 - Leased—8,094
 - Owned—1,530
- **370.2 Million Rentable Square Feet**
 - Leased—191.4
 - Owned—178.8
- **Providing Space for Over 1.1 Million People**
- **Budget — \$9.2 Billion**

Federal Employment --

Federal Employees (in Million)



Growth of the Inventory



Historic Data based on assignable RSF - Active buildings, real estate responsibility GSA's

Differs from FRPP, which includes GSF(not RSF) for Active and Excess.

Differs from Budget Figures, which are billable RSF only.

Agency Name	FY2010 Total RSF (in millions)	Projected FY12 RSF* (in millions)	FY2010 Total Rent (\$ in millions)	Projected FY12 Rent* (\$ in millions)
Justice	48.2	51.2	\$1,481.60	\$1,617.90
Judiciary	41.6	42	\$1,002.00	\$1,048.10
DHS	39.8	44.3	\$1,236.20	\$1,443.90
Treasury	31.4	31.5	\$694.90	\$774.10
SSA	29.7	30.6	\$646.00	\$706.50
HHS	16.1	17.6	\$418.60	\$485.20
Defense	16	14.5	\$384.20	\$397.20
Commerce	15.6	11.8	\$471.90	\$285.5
Interior	14.3	14.7	\$278.20	\$316.60
Army	10.3	10.0	\$184.50	\$189.0

* From FY2013 Rent Estimate delivery to OMB

Building our Future through Strategic Partnerships



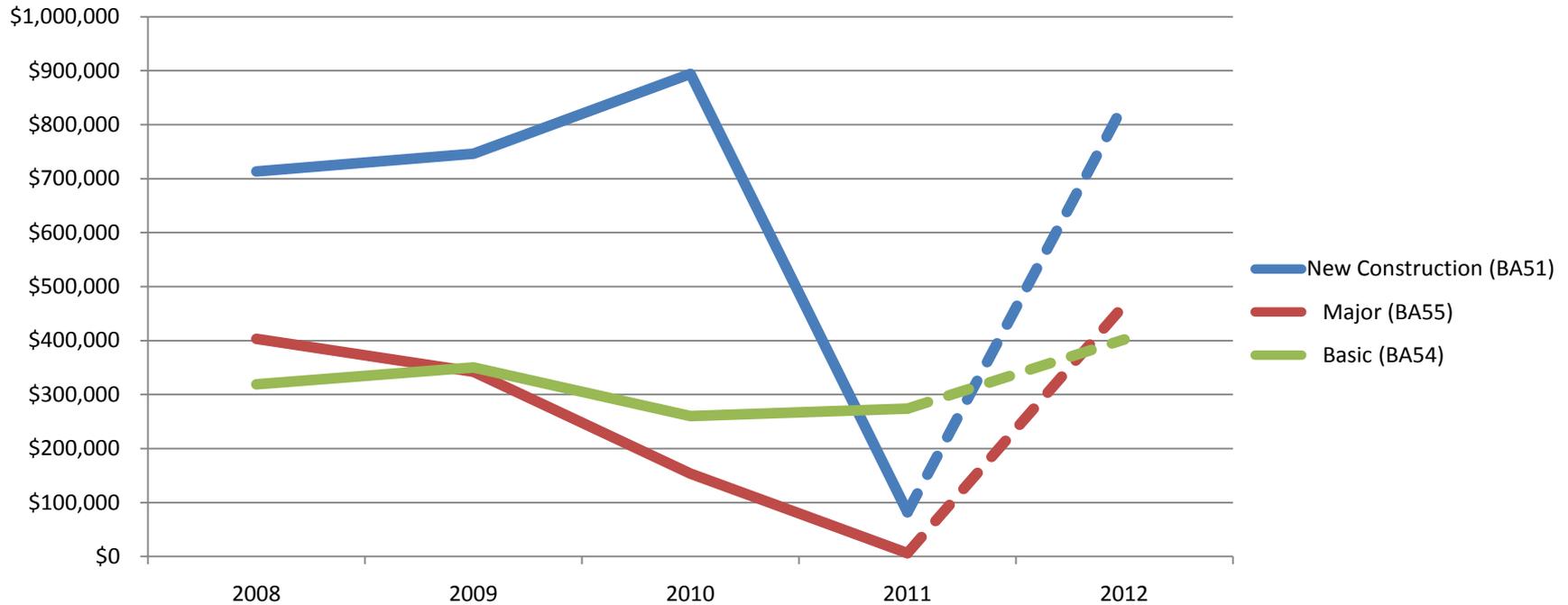
Pressures to Reduce



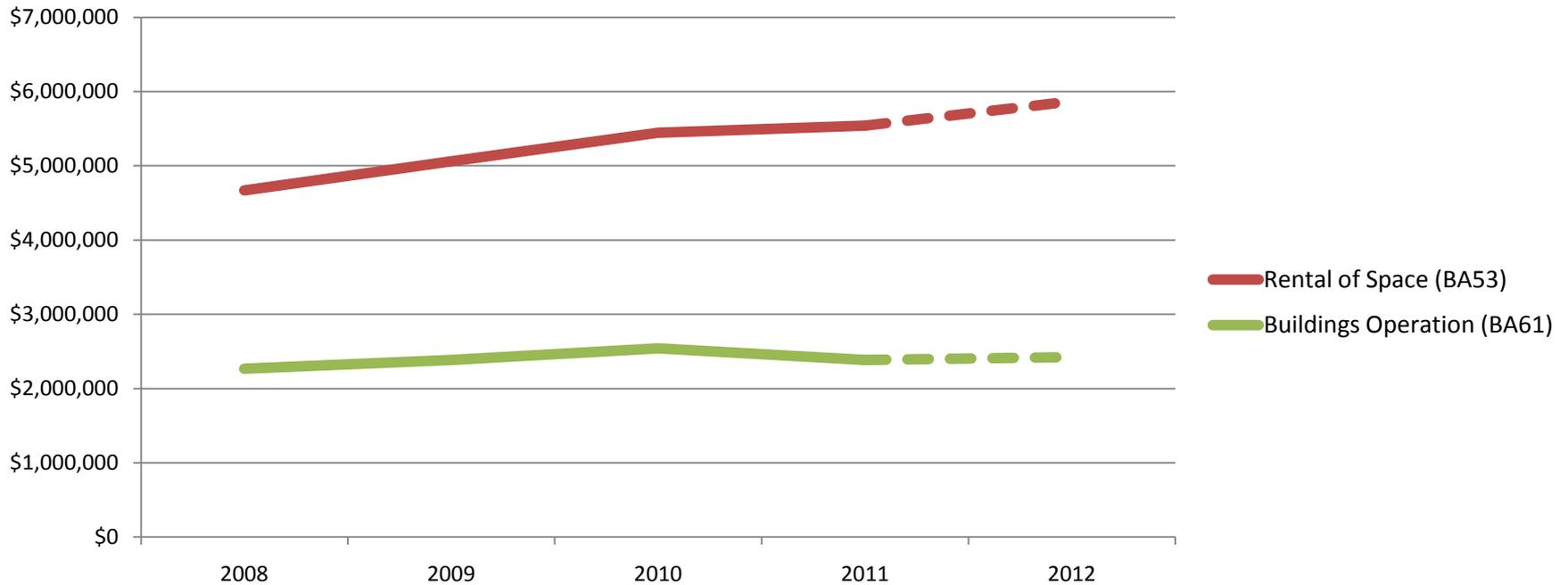
Current Budget Environment



Capital Project Funding



Operating Budget Trends



Over 50% of Agencies' Rent Is Paid in 10 Markets

PBS Top 10 Markets	Projected Growth				
	2011	2012	2013	2014	2015
Washington, DC	0.0%	5.2%	6.4%	4.4%	2.8%
New York, NY	6.6%	8.0%	7.6%	5.9%	5.0%
Kansas City, MO	1.0%	3.6%	4.9%	5.4%	6.0%
Philadelphia, PA	0.6%	2.9%	4.5%	4.9%	4.7%
Baltimore, MD	1.3%	2.7%	4.1%	3.7%	3.4%
Chicago, IL	-0.7%	2.1%	4.1%	4.2%	4.1%
Atlanta, GA	-2.2%	0.8%	3.1%	4.2%	5.2%
Los Angeles, CA	-1.8%	1.9%	3.7%	3.7%	3.7%
Denver, CO	1.8%	4.4%	5.0%	4.4%	3.9%
Dallas/Fort Worth, TX	3.3%	6.8%	8.3%	7.7%	6.7%

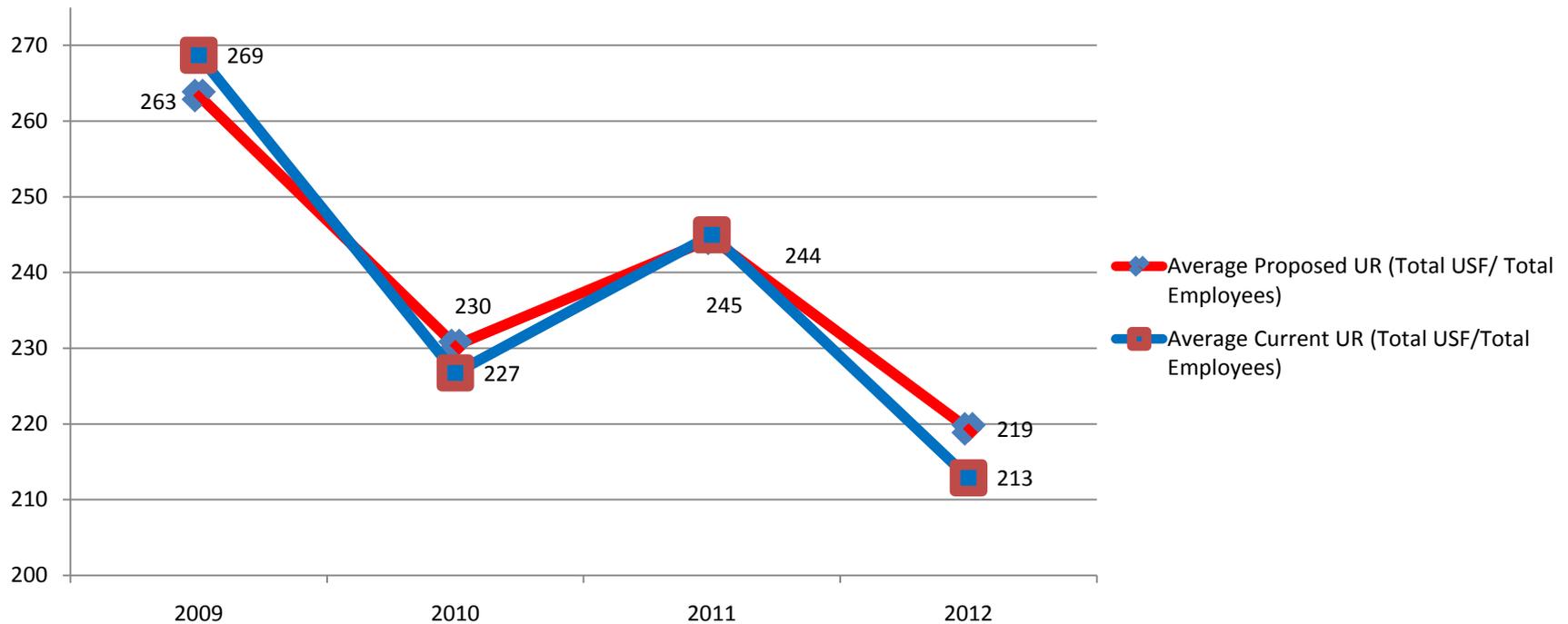
* Projections are based on CBRE office outlook econometrics reports

President's Real Estate Memo

Use Less Space to Save \$3 Billion by 2012:

- Dispose of Properties
- Eliminate Leases that Are Not Cost Effective
- Creatively Reuse Existing Space
- Reduce our Space & Environmental Footprints
- Explore Alternative and Virtual Work Strategies

Average Utilization Rates for Leasing Program--



Workplace Innovation & Consolidation





The Extreme Challenge—GSA Headquarters





Where do we go from here?

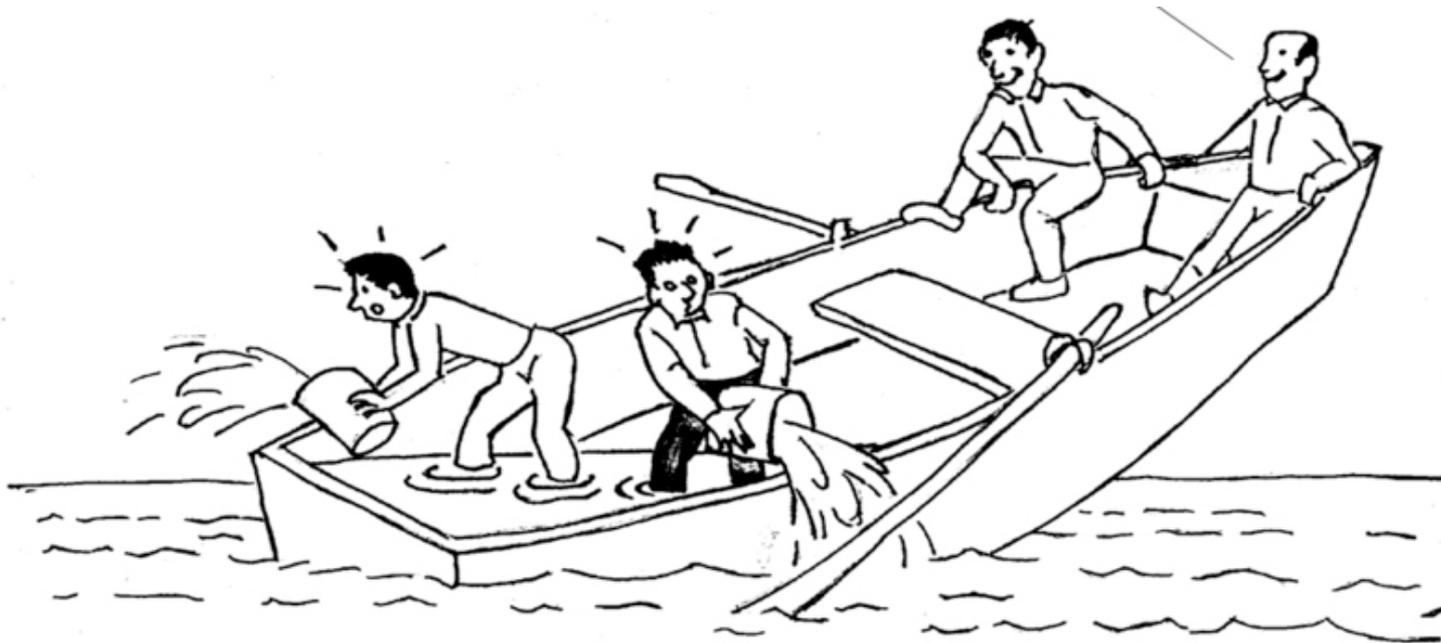


What happens if...

- our project was zeroed out in the FY11 budget?
- our project was included in the FY12 budget?
- our agency was not funded for our portion of the project?
- we are not going to need as much space?
- we cannot afford to move?
- we cannot afford the rent?



I'm sure glad the hole isn't in our end of the boat.



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