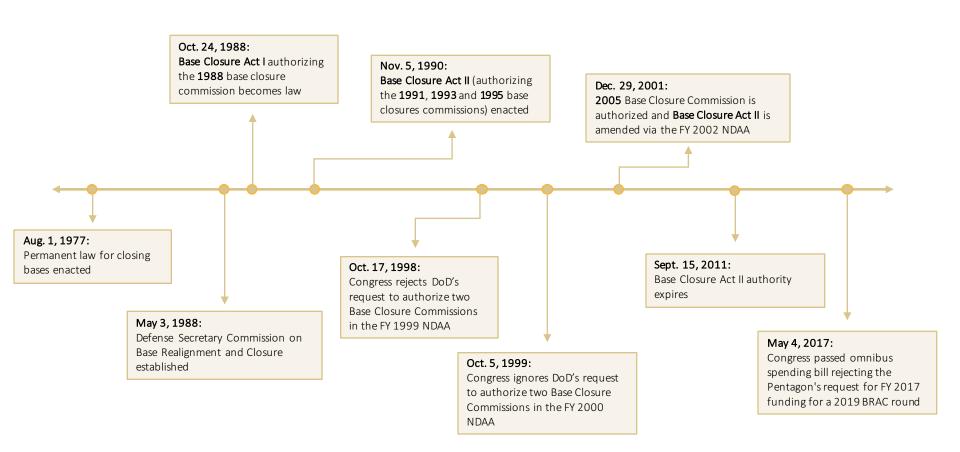
The complex process of closing bases is often marked by power struggles between the legislative and executive branches

Major events in the evolution of BRAC

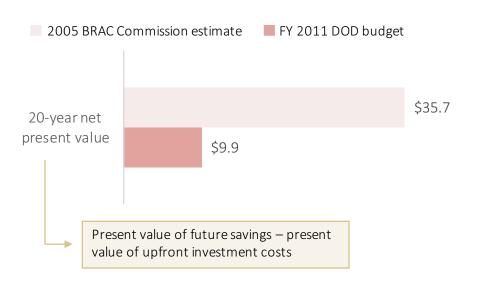


Sources: George Schlossberg, "How Congress cleared the bases: a legislative history of BRAC," Journal of Defense Communities, 2012.

Reluctance in Congress to approve another BRAC round stems in part from negative perceptions of the 2005 BRAC process

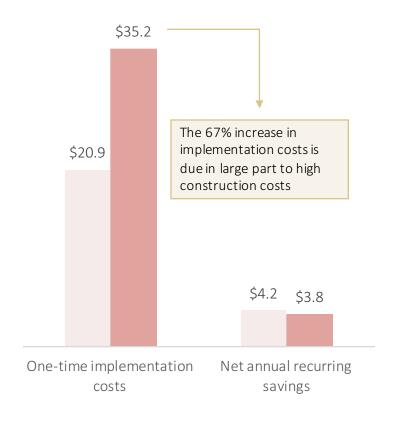
DOD 2005 BRAC cost estimates vs. results

Current-year dollars in billions



Background

- BRAC 2005 was the fifth round of base closures and realignments undertaken by the Pentagon since 1988, and it was the biggest, most complex BRAC round to date as it focused more on realignments than outright closures
- The process dramatically exceeded original cost estimates and is widely considered to have been mishandled

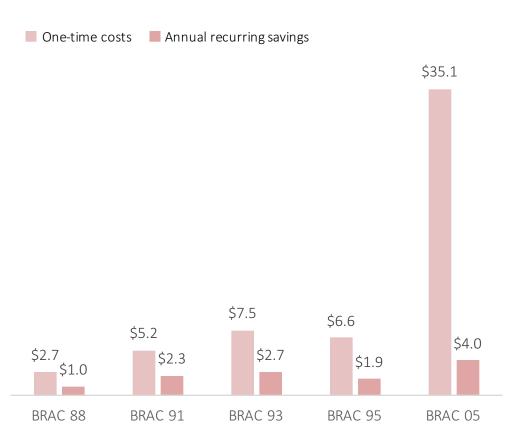


Sources: Jim Garamone, "Pentagon official says DOD needs more BRAC," DOD.gov, Nov. 22, 2013; Rebecca Kheel, "Pentagon says 22% of military bases will be excess by 2019," The Hill, April 15, 2016; U.S. Government Accountability Office, "Military base realignments and closures, updated costs and savings estimates from BRAC 2005," June 29, 2012.

The past five rounds of BRAC have saved the Pentagon a total of \$12 billion a year

Savings from BRAC

In billions of dollars

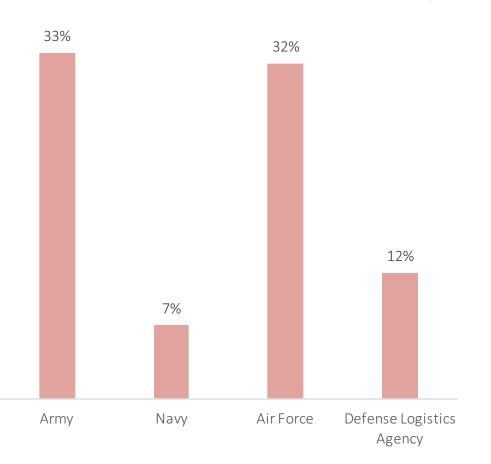




Sources: Jim Garamone, "Pentagon official says DOD needs more BRAC," DOD.gov, Nov. 22, 2013; Rebecca Kheel, "Pentagon says 22% of military bases will be excess by 2019," The Hill, April 15, 2016; U.S. Government Accountability Office, "Military base realignments and closures, updated costs and savings estimates from BRAC 2005," June 29, 2012.

The DOD estimates that by 2019, 22% of bases will be excess

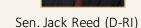
Excess infrastructure broken down by service for 2019



Major players in Congress

Senate Armed Services Committee





Sen. John McCain (R-AZ)

House Armed Services Committee





Rep. Mac Thornberry (R-TX)

Rep. Adam Smith (D-WA)

Analysis: According to the Pentagon, another BRAC round would close down 5% of the estimated 22% excess infrastructure and save an estimated at \$3-5 billion a year. It is unlikely another BRAC would occur before 2020.

Sources: Jim Garamone, "Pentagon official says DOD needs more BRAC," DOD.gov, Nov. 22, 2013; Rebecca Kheel, "Pentagon says 22% of military bases will be excess by 2019," The Hill, April 15, 2016; U.S. Government Accountability Office, "Military base realignments and closures, updated costs and savings estimates from BRAC 2005," June 29, 2012.