

Q 8. Will the Town be required to pay a penalty to exercise the Buy-Out Option in the Community Learning Centre Lease Agreement?

- **The Buy-Out Option** can be exercised *without penalty* at *any time* during the 25-year lease.
- **The Buy-Out Option** gives future Town Councils the flexibility to purchase the building at fair market value, to be determined by taking the average of two independent appraisals, one of which would be paid for by the Town.
- **A decision to exercise the Buy-Out Option** and purchase the building would require a new borrowing bylaw and could be financed through the Alberta Capital Finance Authority which currently offers interest rates of about 3.2 per cent on a 25-year loan (as of July 15, 2017).