

**From:** Tiffini LeJeune  
**To:** GASB Director  
**Subject:** Leases Implementation Guidance

Good Evening,

I know the comment period has passed for this document, but as we were looking at it closer today, our team came across one comment/question about one of the items in the document.

Question 4.16 states that a \$1 renewal option in a 20 year lease should be included in the initial lease term if it is reasonably certain the option will be exercised. Question 4.1 indicates that a lease with a market rate of \$100,000 and a rental cost of \$1 would not be considered a lease because there is not an exchange or exchange like transaction. Based on the conclusion in question 4.1, why would you include the 5 year renewal of \$1 when it does not appear to be an exchange or exchange like transaction?

Thank you,  
Tiffini

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