

How to Setup a Management Fee Free Period

Overview

A management fee free period is a period of time where an owner will not be charged management fees on rent collected.

Setting this up in REST will ensure the owner will not be charged management fees and can be reverted back to charge the owner management fees when desired.

This document will cover the following:

- How REST charges Management Fees
- How to Setup to Not charge Management Fees
- How to Reimburse Management Fees Incorrectly Charged

How REST Charges Management Fees

In REST there are two separate fields where management fee charge amounts can be entered:

Alpha index			Active	
ease name				
General Rental B	ank Reneg/Inspe	ct Notes/Mail/Remino	ler Invoices Commercia	al
Description				Cancel - ESC
Amount GST Excl				
Period				Action - F1
Paid To last month	_/_/_	_/_/_	_/_/_	
Paid To date	_/_/_	_/_/_	_/_/_	Clear - F2
Rent received	1			1
Credit this month				Delete - F3
Credit last month				
Periods paid				Add Mode - F4
Commission %				
Account code				Status - F6
B/F Balance				
Direct debit	Disable	Disable	Disable	Search - F7
				Last Edits - F9
				1

The management fee should be entered into the Commission % field via Files > Tenant > Rental or by

clicking on the Tenant Details icon. REST will charge management fees based on the percentage amount entered in this field only. This amount should be entered as a base amount

Address Suburb Suburb Reminders Gained/Lost Maintenance Other General Financial Advert Notes Tenants Commercial Strata Holiday Insurance Rent Base rental amount \$0.00 Charge able from 01/07/05 Rent Base rental amount \$0.00 Charge letting fee Charge letting fee Charge letting fee by Number of Weeks Add Mode Charge letting fee amount (model) Charge letting fee amount<	Property Details					
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	Letting fee amount(In	cl) \$0.00				Last Edits - F
						\checkmark

The management fee should be entered as the Base commission % field via Files > Property > Financial or

by clicking on the Property Details icon. REST will not charge management fees based on the percentage amount entered in this field This is for information and reporting purposes only.

Both these fields are exclusive of GST. REST will automatically calculate the GST on top of the base commission amount.

How to Setup to Not Charge Management Fees

This process ensures an owner will not be charged management fees on any rent receipts entered after the change in REST.

- 1. Go to Files > Tenant Details and click on the Rental tab
- 2. In the commission field, change the amount to $0.00\,$
- 3. Click OK-F12
- 4. This will generate a WARNING that no commission has been entered, click OK
- 5. You will now be prompted to update the property card. Say NO to this message (unless this is a permanent change to the commission). NOTE: if the management fee is removed for a specific period of time, ensure you set up an action/conversation diary reminder to re-enter the commission on a certain date. This can be added to the diary by going to Other > Action/Diary

🏂 Tenant Details				
Alpha index			Active	
Lease name				
General Rental B	ank Reneg/Inspect I	Notes/Mail/Reminder I	nvoices Commercial	
	·			×
Description	Rent			Cancel - ESC
Amount GST Excl	\$0.00	\$0.00	\$0.00	
Period				Action - F1
Paid To last month	17/02/14	17/02/14	17/02/14	
Paid To date	17/02/14	17/02/14	17/02/14	Clear - F2
Rent received	\$0.00	\$0.00	\$0.00	1
Credit this month	\$0.00	\$0.00	\$0.00	Delete - F3
Credit last month	\$0.00	\$0.00	\$0.00	_
Periods paid	0	0	0	Add Mode - F4
Commission %	0.00	0.00	0.00	
Account code				Status - F6
B/F Balance	\$0.00	\$0.00	\$0.00	
Direct debit	🔲 Disable	🗸 Disable	✓ Disable	Search - F7
				Last Edits - E9
				Last Luits - F3
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				UK - F12

How to Reimburse Management Fees Incorrectly Charged

This process will reimburse an owner that has been charged management fees during the management fee free period (for example, the management commission amount was not removed prior to the commencement of the fee free period).

 Calculate the amount of overcharged managements including GST to be refunded. NOTE: You can ascertain the exact amount charged by checking the audit report by going to Cashbook > Audit Report, select the month that the rent was receipted in and ensure you tick Include Fees and click PREVIEW-F11

The Audit Report will display a list of transactions within the specified period and itemise the m/fees and GST charged on the receipt.

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TRUST AUDIT REPORT

Date	Ref	Туре [Details	Chq Date	Property	Tent/ Cred	Op M.Fe	Taxes/ e Bnk Chg	GST	Amount Ind
18/11/13 18/11/13 18/11/13 18/11/13	00006777 E00000107 00000000 E00000107	RentRec Journal Journal Journal	1051 Jennifer Aniston Funds transferred to your b Bank Charges Funds transferred to your b	18/11/13 18/11/13	GIBSON40/4 AABANKCH AAAUTO AAGST	4 ANISTON G	## 1750 ## ##	00 0.50	175.00 0.00 0.00 0.00	25000.00 -35.50 35.50 -1851.97

- 2. Take note of the management fee and GST component charged
- 3. Reverse the management fee via Transactions > Journals. Enter the details of the journal:
 - Debit Property select AAMANAGE internal account and press ENTER
 - Description Enter a description for management fees refunded
 - Account Code Use account code 481
 - Credit Property Select the property to be credited to
 - Amount Enter the amount (inclusive of GST) to reimburse the owner, and ensure the GST component is correct.
 - Click OK-F12

Type Property Select Journal Type DEBIT Property AAMANAG Management Fees, Balance Management Fees 25589.36 Management Fees Description Reverse Mgmt Fees on Receipt #6777 Fee Free Period Account code 481 Management Fees CR EDIT Property GIBSON40/4 4/40 Gibson Street, NORTH SYDNEY NSW 2060 Michael Douglas & Catherine Zeta-Jones 33 Horseshoe Drive DECEPTION BAY QLD 4508 Description Reverse Mgmt Fees on Receipt #6777 Fee Free Period Description Reverse Mgmt Fees on Receipt #6777 Fee Free Period Account code 481	Journal Entries			
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