

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:

Tenant Details

Alpha index Active

Lease name

General | Rental | Bank | Reneg/Inspect | Notes/Mail/Reminder | Invoices | Commercial

Description	<input type="text"/>	<input type="text"/>	<input type="text"/>
Amount GST Excl	<input type="text"/>	<input type="text"/>	<input type="text"/>
Period	<input type="text"/>	<input type="text"/>	<input type="text"/>
Paid To last month	<input type="text"/>	<input type="text"/>	<input type="text"/>
Paid To date	<input type="text"/>	<input type="text"/>	<input type="text"/>
Rent received	<input type="text"/>	<input type="text"/>	<input type="text"/>
Credit this month	<input type="text"/>	<input type="text"/>	<input type="text"/>
Credit last month	<input type="text"/>	<input type="text"/>	<input type="text"/>
Periods paid	<input type="text"/>	<input type="text"/>	<input type="text"/>
Commission %	<input type="text"/>	<input type="text"/>	<input type="text"/>
Account code	<input type="text"/>	<input type="text"/>	<input type="text"/>
B/F Balance	<input type="text"/>	<input type="text"/>	<input type="text"/>
Direct debit	<input type="checkbox"/> Disable	<input type="checkbox"/> Disable	<input type="checkbox"/> Disable

Cancel - ESC

Action - F1

Clear - F2

Delete - F3

Add Mode - F4

Status - F6

Search - F7

Last Edits - F9

OK - F12

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

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 Bank Reneg/Inspect Notes/Mail/Reminder Invoices Commercial

Description	Rent		
Amount GST Excl	\$0.00	\$0.00	\$0.00
Period			
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
Rent received	\$0.00	\$0.00	\$0.00
Credit this month	\$0.00	\$0.00	\$0.00
Credit last month	\$0.00	\$0.00	\$0.00
Periods paid	0	0	0
Commission %	0.00	0.00	0.00
Account code			
B/F Balance	\$0.00	\$0.00	\$0.00
Direct debit	<input type="checkbox"/> Disable	<input checked="" type="checkbox"/> Disable	<input checked="" type="checkbox"/> Disable

Cancel - ESC
Action - F1
Clear - F2
Delete - F3
Add Mode - F4
Status - F6
Search - F7
Last Edits - F9
OK - 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).

1. 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 received 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.

TRUST AUDIT REPORT

Date	Ref	Type	Details	Chq Date	Property	Tent/ Cred	Op	M.Fee	Taxes/ Bnk Chg	GST	Amount Incl
18/11/13	00006777	RentRec	1051 Jennifer Aniston		GIBSON40/4	ANISTON	##	1750.00	0.50	175.00	25000.00
18/11/13	E00000107	Journal	Funds transferred to your b	18/11/13	AABANKCHG		##			0.00	-35.50
18/11/13	00000000	Journal	Bank Charges		AAAUTO		##			0.00	35.50
18/11/13	E00000107	Journal	Funds transferred to your b	18/11/13	AAGST		##			0.00	-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

Journal Entries

Type: Property Select Journal Type

DEBIT

Property: AAMANAG
 Balance: 25589.36
 Management Fees,
 Management Fees

Description: Reverse Mgmt Fees on Receipt #6777 Fee Free Period
 Account code: 481 Management Fees

CREDIT

Property: GIBSON40/4
 Balance: 26014.65
 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
 Account code: 481 Management Fees

Amount: \$1,925.00 GST: \$175.00 Excl GST: \$1,750.00

Cancel - ESC
 Details - F6
 Clear - F2
 OK - F12

02/02/2016 10:52 am AEDT