Payment Changes User Guide

Real Estate Manager

Version 26.2.1

Document Information

Notices

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Disclaimer

This guide is designed to help you to use the Real Estate Manager applications effectively and efficiently. All data shown in graphics are provided as examples only. The example companies and calculations herein are fictitious. No association with any real company or organization is intended or should be inferred.

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Payment Changes

Introduction

After you have entered all your asset and contract information into Real Estate Manager, there may be times where you need to update or change the data captured. There are times when things like your payments will change throughout the life of a contract. This guide will walk through various kinds of payment changes and how to record those in Real Estate Manager. Some of these payment changes also need to be reflected in Lease Accounting Manager and below you will find steps for the synchronization process as well.

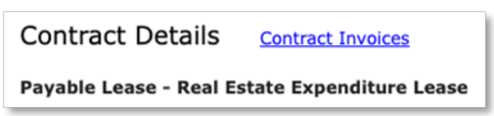
One-time Increase in Payment

Scenario: Rent increases for one month due to late fee or other one-off charge.

This information not only needs to be recorded in Real Estate Manager, but then it needs to be reflected in our Lease Accounting Manager as well. Since this isn’t really a change in payments going forward, but a one-off payment that is different, we are going to reflect this using a one-off invoice. First the one-off invoice will be added and then the one-time payment import will be performed. Lastly, the contract will be synchronized with Lease Accounting Manager to complete the process.

1. Search for your contract by entering the **Contract Reference** number in the Top Search Bar.

2. Once in the Asset and on the Contracts tab, put contract in edit mode. This can be done by clicking **Edit** next to the Contract if you are viewing all contracts. If you are already in a single contract, scroll to the bottom and click **Edit**.



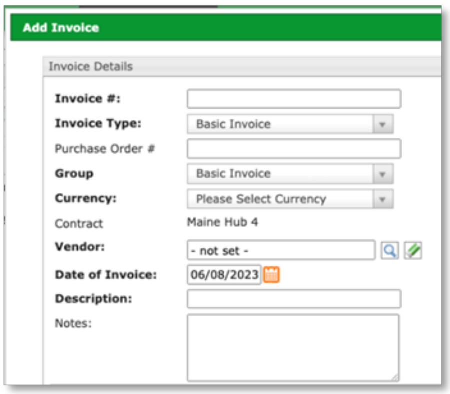
3. Once in Edit mode, click the blue hyperlink **Contract Invoices**.

4. Within the Contract Invoices workspace, scroll to bottom and click **Add One-off Invoice**.

5. Input the relevant Invoice Details:

   - Invoice #
   - Invoice Type
   - Purchase Order #
   - Group
   - Currency
   - Vendor

- Date of Invoice
- Description
- Notes



6. If you have included any custom fields for this Invoice Type, populate those as necessary.
7. Now add the costs for this invoice, starting by putting a **Description** for the cost.

8. Next select the appropriate **Asset** that the contract is relevant for.
9. Select the **Cost Category**.
10. Select the appropriate **Jurisdiction** and then **Tax Rate** for that jurisdiction.
11. Input the amount for this invoice. Since this is a one-time payment increase, you should enter the amount the payment is increasing, not the entire new payment amount. For example, if you have a $75.00 late fee, this invoice amount would be $75.00.
12. Click the **Calculator** icon.

> **Note:** If the Tax Rate is updated, you must click the Calculator icon again in the Payment field to ensure accurate tax amount is calculated in the Tax Amount field. Similarly, if the Payment amount is edited, you should click the Calculator icon again to ensure the accurate tax amount is calculated in the Tax Amount field.

13. Ensure the right **Incurred** dates are entered.
14. If the cost is apportioned between Divisions or Subdivisions, click **Apportion** and set the appropriate apportionments.
15. If you have additional custom fields you would like to edit, click **fields**, and make necessary edits.

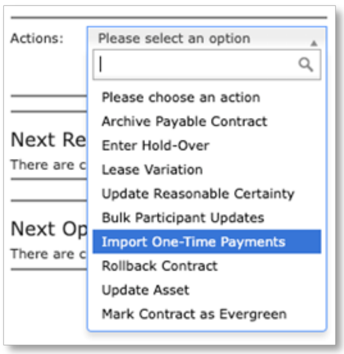
16. If you have additional costs to add to this invoice, click **Add Cost** and repeat steps 15-23 for each additional cost line item.

17. When all costs have been added, click **Save**.

18. Click **Save Contract**.

19. Enter any relevant Notes and then click **Okay**.

20. Now from the Actions drop-down, select **Import One-Time Payments** and click **Perform Action**.



21. Click **Okay** on the confirmation pop-up.

22. Status will change to **ONEOFF Payment – Pending Real Estate Approval**.

23. To synchronize the contract, go to Management from the Top NavBar and select **Lease Accounting Synchronization Management**.

24. Once in the Lease Accounting Synchronization Management workspace, click **Next** twice to get to step 3 of 4.

25. In Step 3 are a list of contracts that have been submitted but are pending approval. Find the relevant Contract Reference number and click the blue **Review and Approve** hyperlink.

26. Verify all information is correct in the pop-up and click either **Approve** or if there is incorrect or missing data, click **Decline**.

27. If approved, click Next to go to Step 4. If declined, corrections need to be made within the contract.

28. Check the box next to the Contract that has been approved and is ready to be synchronized. You may check multiple boxes if you have multiple Contracts ready to synchronize.

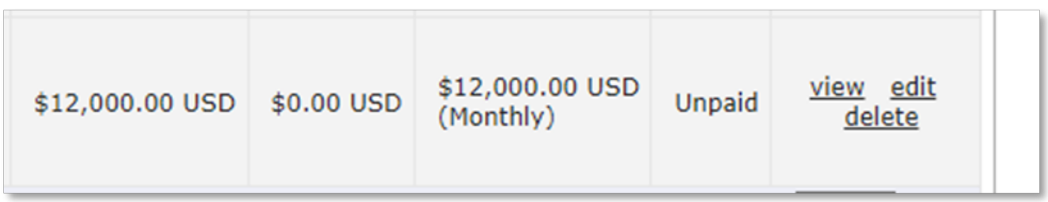
29. Click **Complete Synchronization Process** to initiate the synchronization. When synchronization is complete, a confirmation box will appear at the top of the workspace indicating how many contracts were successfully synchronized. Once successfully synchronized, no further action is required in Lease Accounting Manager and the status within Real Estate Manager will change to **ONEOFF Payment – Synchronized**.

One-Time Increase in Non-Lease Accounting Significant Cost

Scenario: Operating Expenses increased for a specific payment

This is when you have a one-time increase in your payment for a cost that is not related to your lease payment and therefore is not lease accounting significant. To add this cost, you'll still add a one-time invoice using the difference in payment as the invoice amount, not the total new payment amount. You will go through the same steps of editing the contract and going to the contract invoices and adding a one-off Invoice. The difference is that when you get to the Category, select your cost category that is not lease accounting significant. Cost Categories are configured within the Administration workspace and must be done prior to entering any assets or contracts.

1. Search for your contract by entering the **Contract Reference** number in the Top Search Bar.
2. Once in the Asset and on the Contracts tab, click the hyperlink under Description to open the contract details.
3. Once in Contract Details, click the **Invoices** tab to view all invoices.
4. Navigate through the Generated Invoices section to find the one invoice you need to change the non-lease accounting significant cost for. Click **Edit** for that invoice.



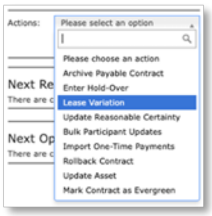
5. Once the Edit Invoice pop-up opens, you can change the Cost Category at the bottom of the pop-up. Click in the **Payment Amount** field and change as necessary to reflect the accurate payment amount.
6. Click the **Calculator** icon to ensure per annum population.
7. Click **Save**

One-time Decrease in Payment

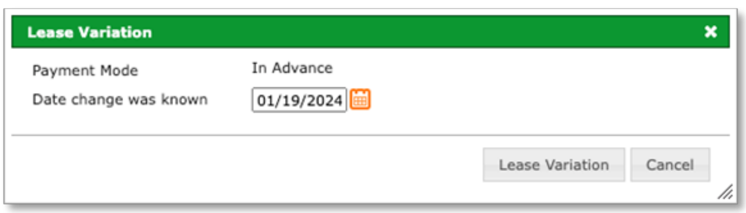
Scenario: You are leasing a building and the landlord has agreed to give you a discount or credit on next month's rent.

While there may be times when your rent will increase, there are also times when it may decrease. The process to decrease your rent in Real Estate Manager is different than when you need to increase it. Instead of creating a one-off invoice, you must perform a lease variation and add two reviews, one to decrease the payment for the period and one to get the payment back to the original amount. Once both reviews are added and actioned, you must synchronize the lease with Lease Accounting Manager to complete the process.

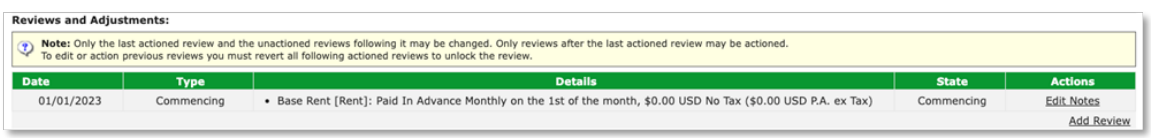
1. Search for your contract by entering the **Contract Reference** number in the Top Search Bar.
2. Once in the Asset and on the Contracts tab, select **Lease Variation** from the Actions drop-down.



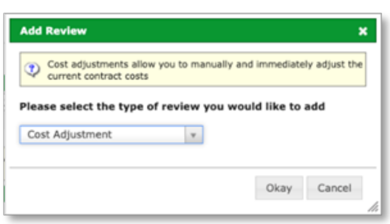
3. Click **Perform Action**.
4. In the Lease Variation pop-up, input the **Date change was known.Note:** This should be a payment period start date.



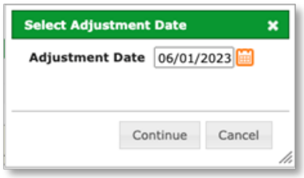
5. Click **Lease Variation**.
6. In the next Lease Variation pop-up, click **Add Review** in the Review section.



7. In the pop-up, select **Cost Adjustmen**t as your Review Type.



8. In the Select Adjustment Date pop-up, in put the payment date again. This should be the same date you chose for the Effective Date of the vary lease.



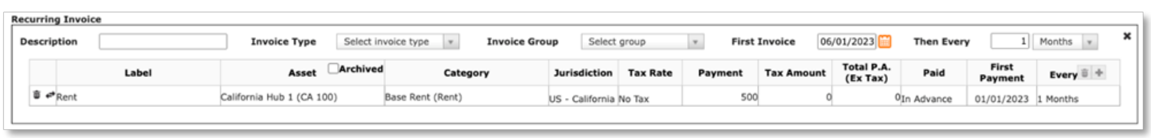
9. Click **Continue.**

10. In the Other Actioned Costs section, click in the Payment field for the cost line item associated with your rent. Enter the new payment amount and click the **Calculator** icon.

> **Note:** Note: You must put the entire new payment amount, not the difference, since you cannot input a negative number.

> **Note:** If the Tax Rate is updated, you must click the Calculator icon again in the Payment field to ensure accurate tax amount is calculated in the Tax Amount field. Similarly, if the Payment amount is edited, you should click the Calculator icon again to ensure the accurate tax amount is calculated in the Tax Amount field.

11. If you want an invoice generated for this change in payment, click **Add New Recurring Invoice** and then use the arrows to **drag and drop** your cost line item.



12. Verify the dates are correct and reflect the payment date or first day of the payment period.

13. Populate the **Description** for the invoice.

14. Select the **Invoice Type** and **Invoice Group**.

15. Input any relevant **Notes**. It is recommended that you input the reason for the cost adjustment and for which payment period it is.

16. Click **Okay**.

17. In the Lease Variation pop-up, click **Add Review** again. This will add the second cost adjustment to put the rent back to the original amount in the period after the change.

18. Select **Cost Adjustment** as the Review Type.

19. For the **Adjustment Date** you'll input the first day of the next payment period, when the rent goes back to normal.

20. Click **Continue**.

21. Verify the Effective Date and select the rent cost line item.

> **Note:** If you don't see the rent cost line item, click **Add Existing Costs**, and select the appropriate cost. If you created a recurring invoice, the cost will populate the recurring invoice section.

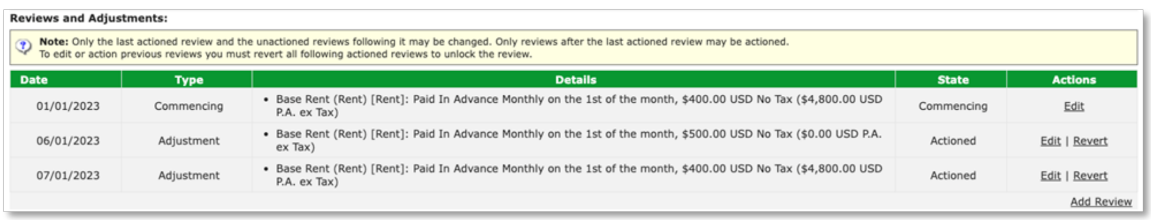
22. Click in the **Payment** amount field and input the original rental amount and click the **Calculator** icon.

> **Note:** If the Tax Rate is updated, you must click the **Calculator** icon again in the Payment field to ensure accurate tax amount is calculated in the Tax Amount field. Similarly, if the Payment amount is edited, you should click the **Calculator** icon again to ensure the accurate tax amount is calculated in the Tax Amount field.

23. In the **Notes** section, indicate that you are adjusting costs back to the original amount after a one-time decrease.

24. Click **Okay**.

25. Back on the Lease Variation pop-up, both Cost Adjustments should be present. Input detailed **Comments** about the Cost Adjustments to keep track of changes you've made.


Reviews and Adjustments:

Note: Only the last actioned review and the unactioned reviews following it may be changed. Only reviews after the last actioned review may be actioned. To edit or action previous reviews you must revert all following actioned reviews to unlock the review.

Date	Type	Details	State	Actions
01/01/2023	Commencing	• Base Rent (Rent) [Rent]: Paid In Advance Monthly on the 1st of the month, $400.00 USD No Tax ($4,800.00 USD P.A. ex Tax)	Commencing	Edit
06/01/2023	Adjustment	• Base Rent (Rent) [Rent]: Paid In Advance Monthly on the 1st of the month, $500.00 USD No Tax ($0.00 USD P.A. ex Tax)	Actioned	Edit | Revert
07/01/2023	Adjustment	• Base Rent (Rent) [Rent]: Paid In Advance Monthly on the 1st of the month, $400.00 USD No Tax ($4,800.00 USD P.A. ex Tax)	Actioned	Edit | Revert

Add Review

26. Click **Save**.

27. Click **Close** on the confirmation pop-up.

28. Status will change to **ACTION REVIEW – Pending Real Estate Approval**.

29. To synchronize the contract, go to Management from the Top NavBar and select **Lease Accounting Synchronization Managemen**t.

30. Once in the Lease Accounting Synchronization Management workspace, click **Next** twice to get to step 3 of 4.

31. In Step 3 are a list of contracts that have been submitted but are pending approval. Find the relevant Contract Reference number and click the blue **Review and Approve** hyperlink.

32. Verify all information is correct in the pop-up and click either **Approve** or if there is incorrect or missing data, click **Decline**.

33. If approved, click **Next** to go to Step 4. If declined, corrections need to be made within the contract.

34. Check the box next to the Contract that has been approved and is ready to be synchronized. You may check multiple boxes if you have multiple Contracts ready to synchronize.

35. Click **Complete Synchronization Process** to initiate the synchronization. When synchronization is complete, a confirmation box will appear at the top of the workspace indicating how many contracts were successfully synchronized. Once successfully synchronized, no further action is required in Lease Accounting Manager and the status within Real Estate Manager will change to **ACTION REVIEW – Synchronized**.

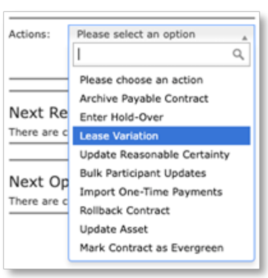
Recurring Increase in Payment

Scenario: You entered a contract without any reviews, only Commencing Costs, and now your rent is increasing for a reason other than a change of CPI.

To make this payment change in Real Estate Manager, you will use the Lease Variation action to add and then action a Market Review and then synchronize with Lease Accounting Manager.

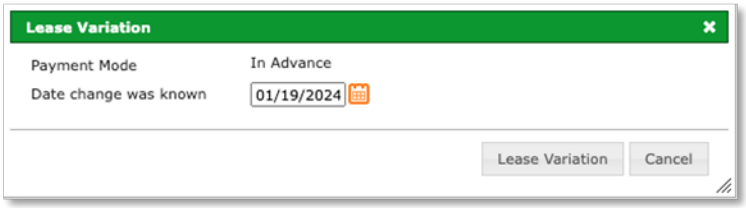
1. Search for your contract by entering the **Contract Reference** number in the Top Search Bar.

2. Once in the Asset and on the Contracts tab, select **Lease Variation** from the Actions drop-down.



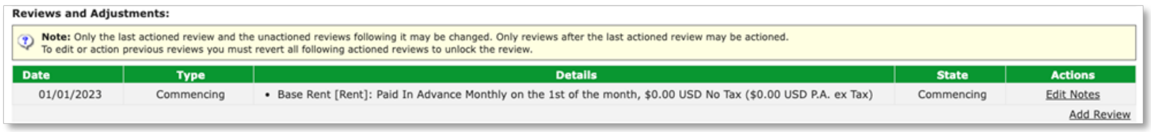
3. Click **Perform Action**.

4. In the Lease Variation pop-up, input the Date change was known. **Note:** This should be a payment period start date.

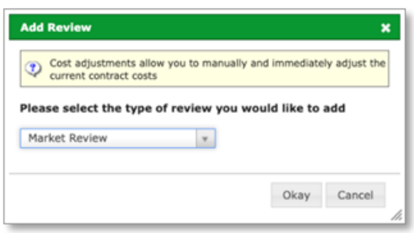


5. Click **Lease Variation**.

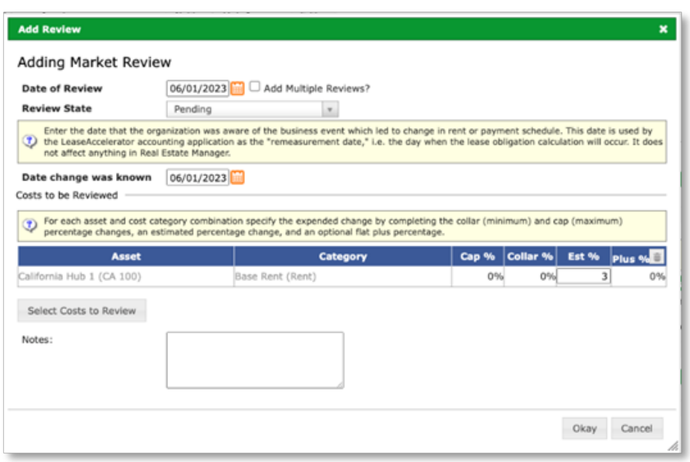
6. In the next Lease Variation pop-up, click **Add Review** in the Review section.



7. In the pop-up, select **Market Review** as your Review Type. **Note:** Typically, Market Reviews would be used when the costs of a contract, like your rent, would need to be re-evaluated based on certain market conditions. However, within Real Estate Manager, Market Reviews are used to change existing costs on a contract when you didn't know those exact costs at lease inception.



8. In the Add Review pop-up, in put the payment date again as your Review Date. This should be the same date you chose for the Date change was known of the lease variation.



9. Leave Review State as **Pending**.

10. Indicate the date you knew about this change in payment in the Date change was known field.

11. Click on **Select Cost to Review**.

12. Select **All Costs** then click **Okay**.

13. Input any of the percentages for the payment:

    a. **Cap %** - Maximum percentage change

    b. **Collar %** - Minimum percentage change

    c. **Est %** - Estimated percentage change

    d. **Plus %** - optional flat plus percentage change

14. Enter any relevant Notes.

15. Click **Okay**.

16. Back on the Lease Variation pop-up, the Market Review should be present.

17. Click **Action** for the review you just entered.

18. In the Action Review pop-up, verify the **Review Date** and **Effective Date**.

19. Click in the **Payment Amount** field and change as necessary to reflect the accurate payment amount.

20. Click the **Calculator** icon to ensure per annum population.

21. Click **Okay**.

22. Click **Save** on the Lease Variation pop-up and then click **Close** on the successful confirmation pop-up.

23. To synchronize the contract, go to Management from the Top NavBar and select **Lease Accounting Synchronization Management**.

24. Once in the Lease Accounting Synchronization Management workspace, click **Next** twice to get to step 3 of 4.

25. In Step 3 are a list of contracts that have been submitted but are pending approval. Find the relevant Contract Reference number and click the blue **Review and Approve** hyperlink.

26. Verify all information is correct in the pop-up and click either **Approve** or if there is incorrect or missing data, click **Decline**.

27. If approved, click **Next** to go to Step 4. If declined, corrections need to be made within the contract.

28. Check the box next to the Contract that has been approved and is ready to be synchronized. You may check multiple boxes if you have multiple Contracts ready to synchronize.

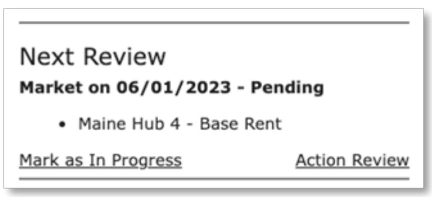
29. Click **Complete Synchronization Process** to initiate the synchronization. When synchronization is complete, a confirmation box will appear at the top of the workspace indicating how many contracts were successfully synchronized. Once successfully synchronized, no further action is required in Lease Accounting Manager and the status within Real Estate Manager will change to **VARY LEASE – Synchronized**.

Scenario: You entered a contract with Market reviews for future possible increases, and now your rent has increased, and you need to record the actual new rental amount.

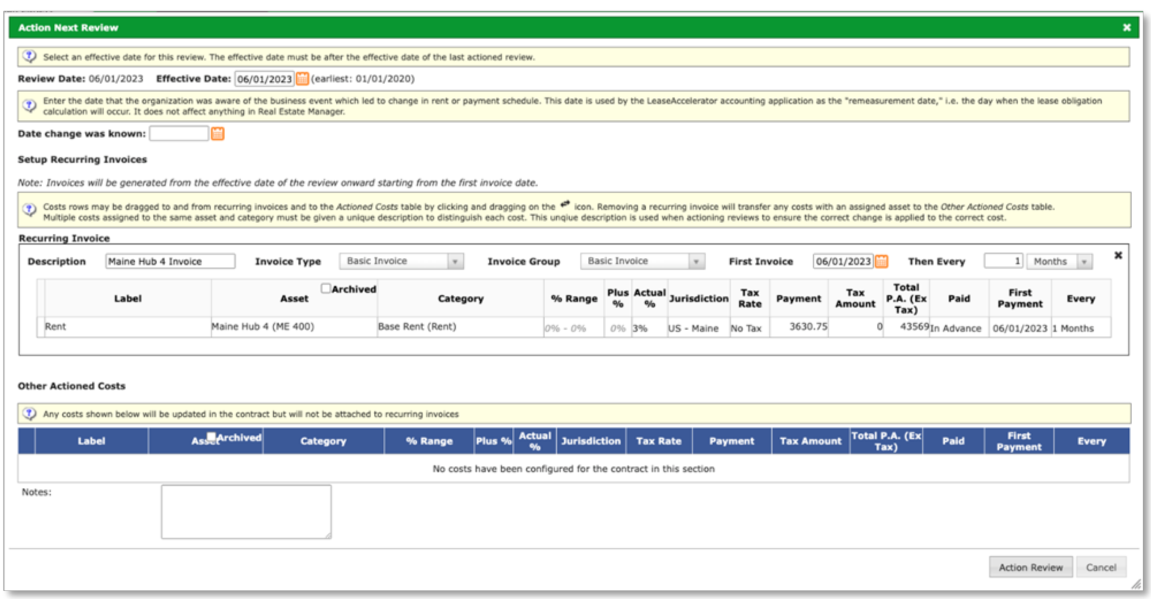
To make this payment change in Real Estate Manager, you simply need to action the review and update the payment amount to reflect the actual. Then go through the synchronization process with Lease Accounting Manager.

1. Search for your contract by entering the **Contract Reference** number in the Top Search Bar.

2. Once in the Asset and on the Contracts tab, look for your review along the right side of the workspace. Click the **Action Review** link.



3. In the Action Review pop-up, verify the Review Date and Effective Date.



4. Enter the **Date change was known**.

5. Click in the Payment Amount field and change as necessary to reflect the accurate payment amount.

6. Click the Calculator icon to ensure per annum population.

> **Note:** If the Tax Rate is updated, you must click the **Calculator** icon again in the Payment field to ensure accurate tax amount is calculated in the Tax Amount field. Similarly, if the Payment amount is edited, you should click the **Calculator** icon again to ensure the accurate tax amount is calculated in the Tax Amount field.

7. Enter any relevant **Notes**.

8. Click **Action Review**.

9. Status will change to **ACTION REVIEW – Pending Real Estate Approval.**

10. To synchronize the contract, go to Management from the Top NavBar and select **Lease Accounting Synchronization Management.**

11. Once in the Lease Accounting Synchronization Management workspace, click **Next** twice to get to step 3 of 4.

12. In Step 3 are a list of contracts that have been submitted but are pending approval. Find the relevant Contract Reference number and click the blue **Review and Approve** hyperlink.

13. Verify all information is correct in the pop-up and click either **Approve** or if there is incorrect or missing data, click **Decline**.

14. If approved, click **Next** to go to Step 4. If declined, corrections need to be made within the contract.

15. Check the box next to the Contract that has been approved and is ready to be synchronized. You may check multiple boxes if you have multiple Contracts ready to synchronize.

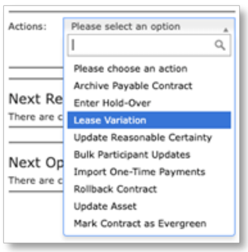
16. Click **Complete Synchronization Process** to initiate the synchronization. When synchronization is complete, a confirmation box will appear at the top of the workspace indicating how many contracts were successfully synchronized. Once successfully synchronized, no further action is required in Lease Accounting Manager and the status within Real Estate Manager will change to **ACTION REVIEW – Synchronized**.

Scenario: You entered a contract without any reviews, only Commencing Costs, and now your rent is increasing due to a change in the Consumer Price Index (CPI).

To make this payment change in Real Estate Manager, you will use the Lease Variation action to add and then action a CPI Review and then synchronize with Lease Accounting Manager.

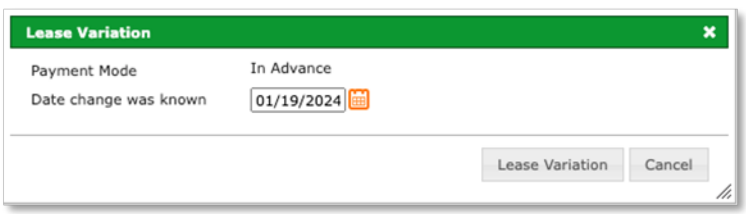
1. Search for your contract by entering the Contract Reference number in the Top Search Bar.

2. Once in the Asset and on the Contracts tab, select **Lease Variation** from the Actions drop-down.



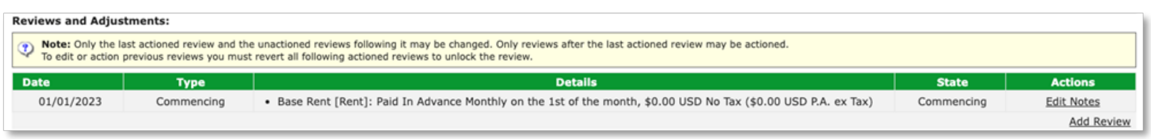
3. Click **Perform Action**.

4. In the Lease Variation pop-up, input the **Date change was known**. **Note:** This should be a payment period start date.

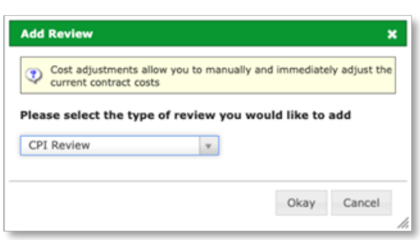


5. Click **Lease Variation**.

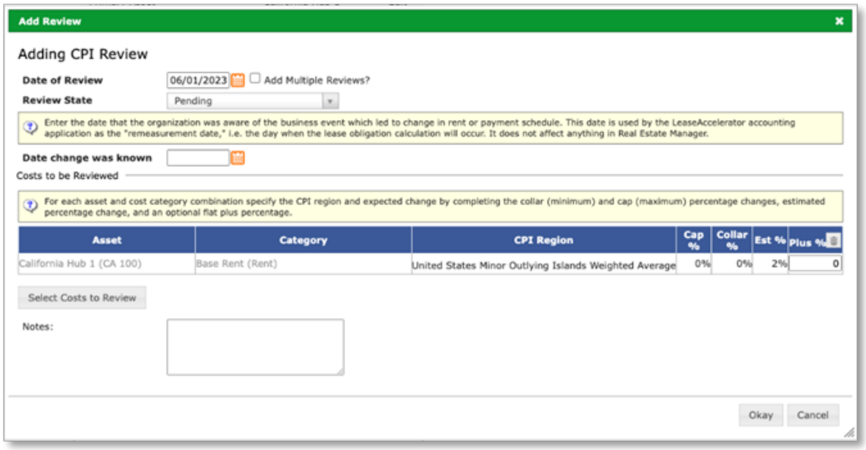
6. In the next Lease Variation pop-up, click **Add Review** in the Review section.



7. In the pop-up, select **CPI Review** as your Review Type.



8. In the Add Review pop-up, in put the payment date again as your Review Date. This should be the same date you chose for the Date change was known of the lease variation.



9. Leave Review State as **Pending**.

10. Indicate the date you knew about this change in payment in the **Date change was known** field.

11. Input any of the percentages for the payment:

    a. **Cap %** - Maximum percentage change

    b. **Collar %** - Minimum percentage change

    c. **Est %** - Estimated percentage change

    d. **Plus %** - optional flat plus percentage change

12. Enter any relevant Notes.

13. Click **Okay**.

14. Back on the Lease Variation pop-up, the CPI Review should be present.

15. Click **Action** for the review you just entered.

16. In the Action Review pop-up, verify the **Review Date** and **Effective Date**.

17. Click in the Payment Amount field and change as necessary to reflect the accurate payment amount.

18. Click the **Calculator** icon to ensure per annum population.

19. Click **Okay**.

20. Click **Save** on the Lease Variation pop-up and then click **Close** on the successful confirmation pop-up.

21. To synchronize the contract, go to Management from the Top NavBar and select **Lease Accounting Synchronization Management**.

22. Once in the Lease Accounting Synchronization Management workspace, click **Next** twice to get to step 3 of 4.

23. In Step 3 are a list of contracts that have been submitted but are pending approval. Find the relevant Contract Reference number and click the blue Review and Approve hyperlink.

24. Verify all information is correct in the pop-up and click either **Approve** or if there is incorrect or missing data, click **Decline**.

25. If approved, click Next to go to Step 4. If declined, corrections need to be made within the contract.

26. Check the box next to the Contract that has been approved and is ready to be synchronized. You may check multiple boxes if you have multiple Contracts ready to synchronize.

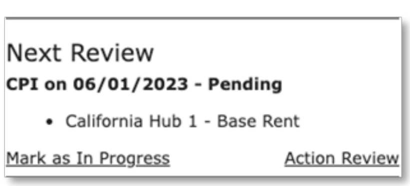
27. Click **Complete Synchronization Process t**o initiate the synchronization. When synchronization is complete, a confirmation box will appear at the top of the workspace indicating how many contracts were successfully synchronized. Once successfully synchronized, no further action is required in Lease Accounting Manager and the status within Real Estate Manager will change to **VARY LEASE – Synchronized**.

Scenario: You entered a contract based on Consumer Price Index (CPI) with anticipated CPI Reviews every year. A year has passed, and CPI has increased, and you need to update the payment and action one of the reviews.

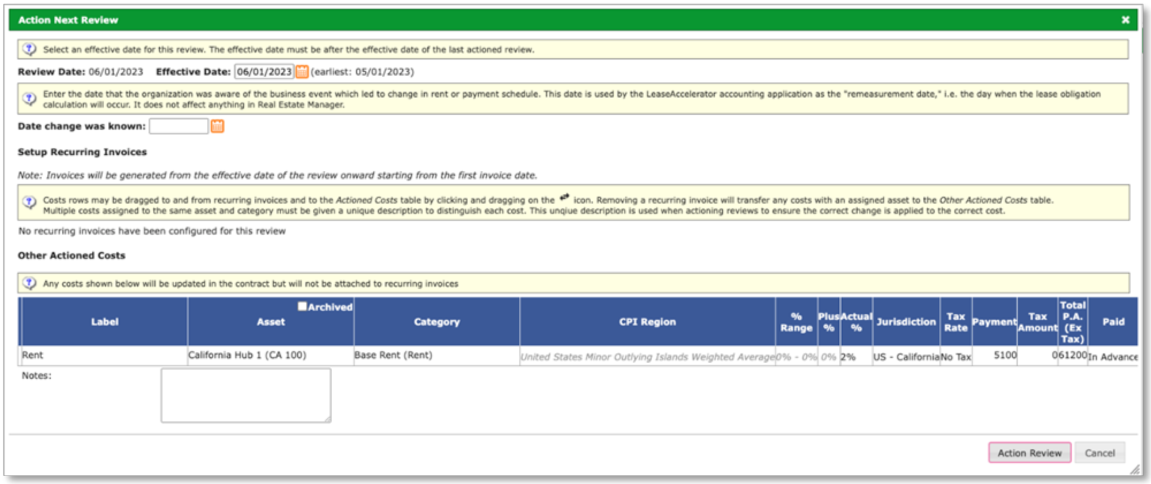
To make this payment change in Real Estate Manager, you simply need to action the review and update the payment amount to reflect the actual. Then go through the synchronization process with Lease Accounting Manager.

1. Search for your contract by entering the **Contract Reference** number in the Top Search Bar.

2. Once in the Asset and on the Contracts tab, look for your review along the right side of the workspace. Click the **Action Review** link.



3. In the Action Review pop-up, verify the **Review Date** and **Effective Date**.



4. Enter the **Date change was known**.

5. Click in the **Payment Amount** field and change as necessary to reflect the accurate payment amount.

6. Click the **Calculator** icon to ensure per annum population.

> **Note:** If the Tax Rate is updated, you must click the Calculator icon again in the Payment field to ensure accurate tax amount is calculated in the Tax Amount field. Similarly, if the Payment amount is edited, you should click the Calculator icon again to ensure the accurate tax amount is calculated in the Tax Amount field.

7. Enter any relevant Notes.

8. Click **Action Review**.

9. Status will change to **ACTION REVIEW – Pending Real Estate Approval**.

10. To synchronize the contract, go to Management from the Top NavBar and select **Lease Accounting Synchronization Management**.

11. Once in the Lease Accounting Synchronization Management workspace, click **Next** twice to get to step 3 of 4.

12. In Step 3 are a list of contracts that have been submitted but are pending approval. Find the relevant Contract Reference number and click the blue **Review and Approve** hyperlink.

13. Verify all information is correct in the pop-up and click either **Approve** or if there is incorrect or missing data, click **Decline**.

14. If approved, click **Next** to go to Step 4. If declined, corrections need to be made within the contract.

15. Check the box next to the Contract that has been approved and is ready to be synchronized. You may check multiple boxes if you have multiple Contracts ready to synchronize.

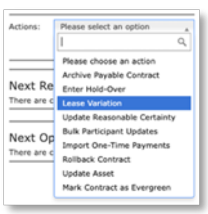
16. Click **Complete Synchronization Process** to initiate the synchronization. When synchronization is complete, a confirmation box will appear at the top of the workspace indicating how many contracts were successfully synchronized. Once successfully synchronized, no further action is required in Lease Accounting Manager and the status within Real Estate Manager will change to **ACTION REVIEW – Synchronized**.

Scenario: You entered a contract with Reviews, but they aren't Market or CPI Reviews.

If you have entered a lease with unactioned reviews that are not Market or CPI and it comes time to action those review to make a payment change, you must use Market or CPI to have the right accounting treatment once the lease is synchronized. To do this, remove the existing review and add a new review that is either Market or CPI, depending on the terms of the contract.

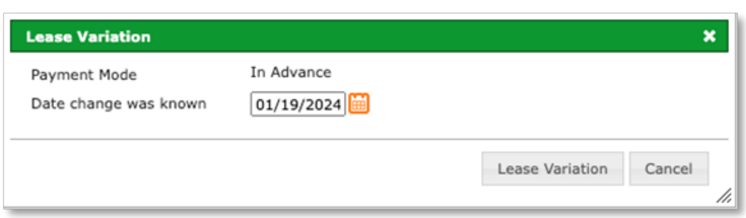
1. Search for your contract by entering the **Contract Reference number** in the Top Search Bar.

2. Once in the Asset and on the Contracts tab, select **Lease Variation** from the Actions drop-down.



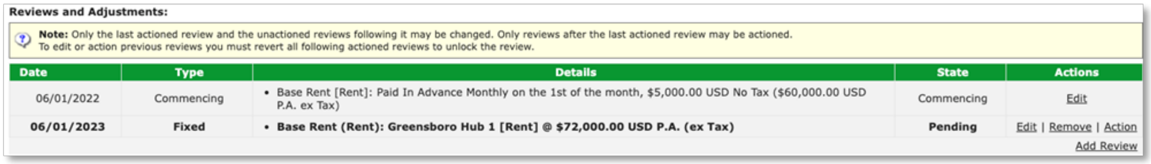
3. Click **Perform Action**.

4. In the Lease Variation pop-up, input the **Date change was known**. **Note:** This should be a payment period start date.



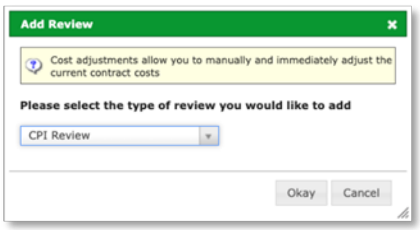
5. Click **Lease Variation**.

6. In the next Lease Variation pop-up, look at the **Reviews and Adjustments** section. Click **Remove** on the Review that is the wrong type and in a pending state.

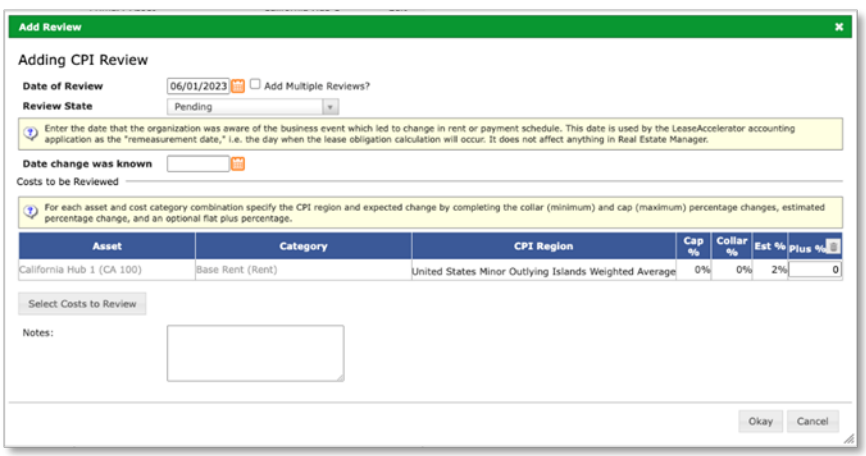


7. Once the review has been removed, click **Add Review**.

8. In the pop-up, select **CPI Review** or **Market** as your Review Type. **Note:** If your contract is based on Consumer Price Index (CPI) then you should be selecting that review type. All other contracts should use Market Review.



9. In the Add Review pop-up, in put the payment date again as your Review Date. This should be the same date you chose for the Date change was known of the lease variation.



10. Leave Review State as **Pending**.

11. Indicate the date you knew about this change in payment in the Date change was known field.

12. Input any of the percentages for the payment:

   a. **Cap %** - Maximum percentage change

   b. **Collar %** - Minimum percentage change

   c. **Est %** - Estimated percentage change

   d. **Plus %** - optional flat plus percentage change

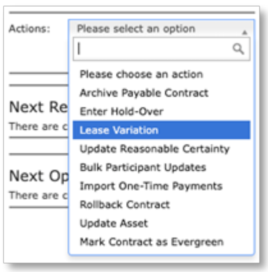
13. Enter any relevant **Notes**.
14. Click **Okay**.
15. Back on the Lease Variation pop-up, the CPI or Market Review should be present.
16. Click **Action** for the review you just entered.
17. In the Action Review pop-up, verify the **Review Date** and **Effective Date**.
18. Click in the **Payment Amount** field and change as necessary to reflect the accurate payment amount.
19. Click the **Calculator** icon to ensure per annum population.
20. Click **Okay**.
21. Click **Save** on the Lease Variation pop-up and then click **Close** on the successful confirmation pop-up.
22. To synchronize the contract, go to Management from the Top NavBar and select **Lease Accounting Synchronization Management**.
23. Once in the Lease Accounting Synchronization Management workspace, click **Next** twice to get to step 3 of 4.
24. In Step 3 are a list of contracts that have been submitted but are pending approval. Find the relevant Contract Reference number and click the blue **Review and Approve** hyperlink.
25. Verify all information is correct in the pop-up and click either **Approve** or if there is incorrect or missing data, click **Decline**.
26. If approved, click Next to go to Step 4. If declined, corrections need to be made within the contract.
27. Check the box next to the Contract that has been approved and is ready to be synchronized. You may check multiple boxes if you have multiple Contracts ready to synchronize.
28. Click **Complete Synchronization Process** to initiate the synchronization. When synchronization is complete, a confirmation box will appear at the top of the workspace indicating how many contracts were successfully synchronized. Once successfully synchronized, no further action is required in Lease Accounting Manager and the status within Real Estate Manager will change to **VARY LEASE – Synchronize**d.

Recurring Increase in Payment and New Cost Added

Scenario: You entered a contract without any reviews, only Commencing Costs, and now your rent is increasing for a reason other than a change of CPI and you are adding a new cost (i.e. Operating expenses).

To make this payment change in Real Estate Manager, you will use the Lease Variation action to add and then action a Cost Adjustment for the month prior to the rent change, a Market Review for the month in which the rent changes, and then synchronize with Lease Accounting Manager.

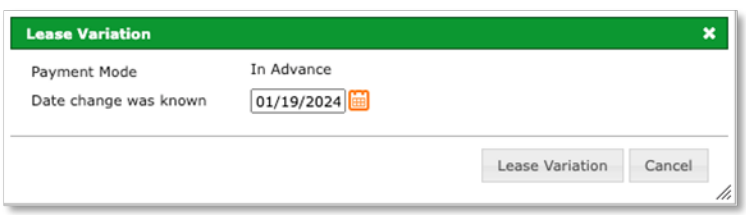
1. Search for your contract by entering the **Contract Reference** number in the Top Search Bar.



2. Once in the Asset and on the Contracts tab, select **Lease Variation** from the Actions drop-down.

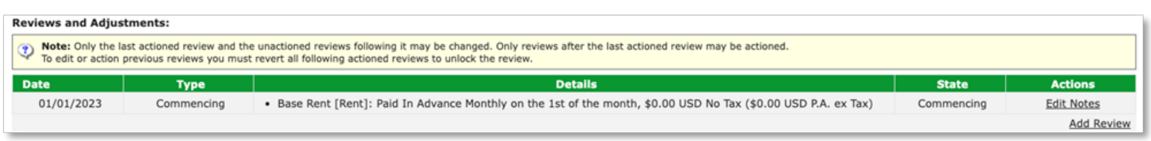
3. Click Perform Action.

4. In the Lease Variation pop-up, input the **Date change was known**. **Note:** This should be a payment period start date.

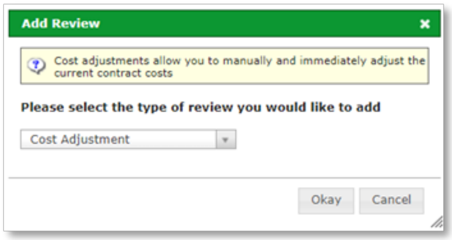


5. Click **Lease Variation**.

6. In the next Lease Variation pop-up, click **Add Review** in the Review section.



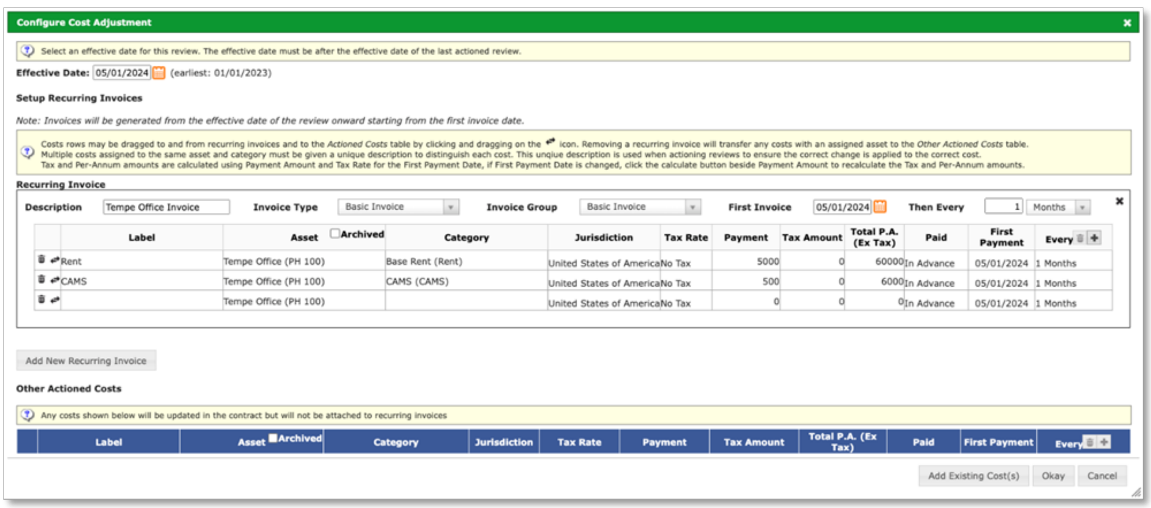
7. In the pop-up, select **Cost Adjustment** as your Review Type. When the Select Adjustment Date pops up, select the month prior to the rent change as the Adjustment Date. Click **Continue**.



8. Click on **Add Existing Cost(s)**

9. Select **All Costs** then click **Okay**.

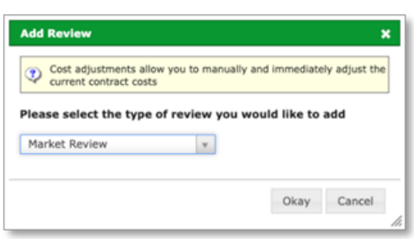
10. In the Configure Cost Adjustment pop-up, you should see a recurring invoice populated. Click the plus sign to add a new row to this invoice. A new line item will populate.



11. Enter a **Label** and new **Cost Category** for the new cost you are adding. Leave Payment amount as zero, as the cost change is not effective until the next month. Even though you aren't changing the amount, best practice is to click the **Calculator** button.Then click **Okay**.

12. Now that you are back in the Lease Variation pop-up, click **Add Review** in the Review section.

13. In the pop-up, select **Market Review** as your I.



14. In the **Add Review** pop-up, in put the payment date again as your Review Date. This should be the actual date that the payment is increasing.

15. Leave Review State as **Pending**.

16. Indicate the date you knew about this change in payment in the **Date change was known** field.

17. Click on **Select Cost to Review**.

18. Select **All Costs** then click **Okay**.

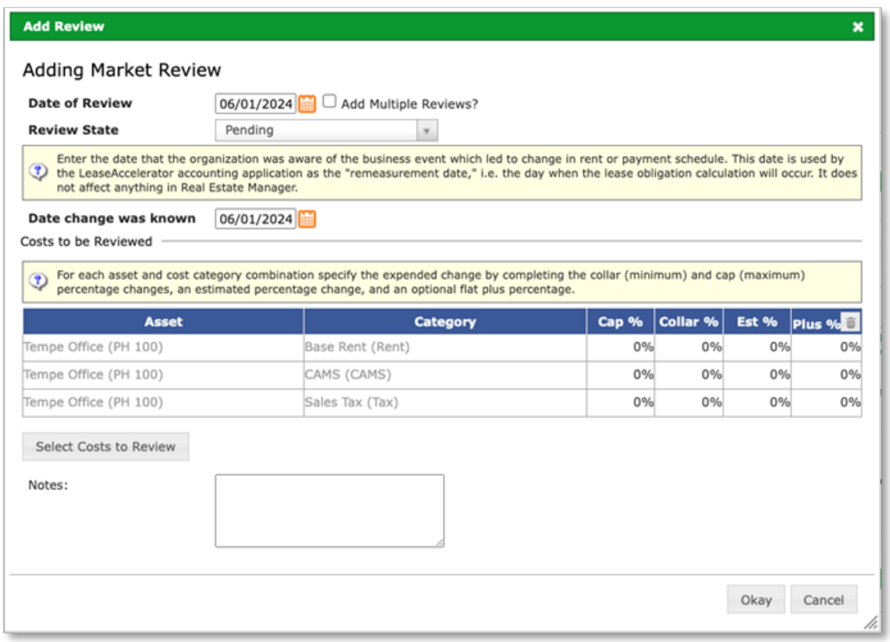
19. Input any of the percentages for the payment:

    a. **Cap %** - Maximum percentage change

    b. **Collar %** - Minimum percentage change

    c. **Est %** - Estimated percentage change

    d. **Plus %** - optional flat plus percentage change



20. Enter any relevant **Notes**.

21. Click **Okay**.

22. Back on the Lease Variation pop-up, the Market Review should be present.


Reviews and Adjustments:

Note: Only the last actioned review and the unactioned reviews following it may be changed. Only reviews after the last actioned review may be actioned. To edit or action previous reviews you must revert all following actioned reviews to unlock the review.

Date	Type	Details	State	Actions
01/01/2023	Commencing	• Base Rent [Rent]: Paid In Advance Monthly on the 1st of the month, $5,000.00 USD No Tax ($60,000.00 USD P.A. ex Tax) • CAMS [CAMS]: Paid In Advance Monthly on the 1st of the month, $500.00 USD No Tax ($6,000.00 USD P.A. ex Tax)	Commencing	Edit
05/01/2024	Adjustment	• Base Rent (Rent) [Rent]: Paid In Advance Monthly on the 1st of the month, $5,000.00 USD No Tax ($60,000.00 USD P.A. ex Tax) • CAMS (CAMS) [CAMS]: Paid In Advance Monthly on the 1st of the month, $500.00 USD No Tax ($6,000.00 USD P.A. ex Tax) • Sales Tax (Tax) [Sales Tax]: Paid In Advance Monthly on the 1st of the month, $0.00 USD No Tax ($0.00 USD P.A. ex Tax)	Actioned	Edit | Revert
06/01/2024	**Market**	• **Base Rent (Rent): Tempe Office (PH 100) [Rent]** • **CAMS (CAMS): Tempe Office (PH 100) [CAMS]** • **Sales Tax (Tax): Tempe Office (PH 100) [Sales Tax]**	**Pending**	Edit | Remove | Action

23. Click **Action** for the review you just entered.

24. In the Action Review pop-up, verify the **Review Date** and **Effective Date**.

25. Click in the **Payment Amount** field and change both cost categories as necessary to reflect the accurate payment amount.

26. Click the **Calculator** icon to ensure per annum population.

27. Click **Okay**.

28. Enter any relevant Comments then click **Save** on the Lease Variation pop-up and then click **Close** on the successful confirmation pop-up.

29. To synchronize the contract, go to Management from the Top NavBar and select **Lease Accounting Synchronization Managemen**t.

30. Once in the Lease Accounting Synchronization Management workspace, click **Next** twice to get to step 3 of 4.

31. In Step 3 are a list of contracts that have been submitted but are pending approval. Find the relevant Contract Reference number and click the blue **Review and Approve** hyperlink.

32. Verify all information is correct in the pop-up and click either **Approve** or if there is incorrect or missing data, click **Decline**.

33. If approved, click **Next** to go to Step 4. If declined, corrections need to be made within the contract.

34. Check the box next to the **Contract** that has been approved and is ready to be synchronized. You may check multiple boxes if you have multiple Contracts ready to synchronize.

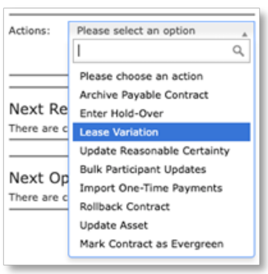
35. Click **Complete Synchronization Process** to initiate the synchronization. When synchronization is complete, a confirmation box will appear at the top of the workspace indicating how many contracts were successfully synchronized. Once successfully synchronized, no further action is required in Lease Accounting Manager and the status within Real Estate Manager will change to **VARY LEASE – Synchronized**.

Payment Changes when Tax Rates are Updated

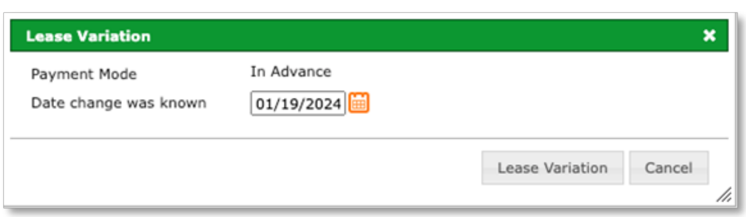
Scenario: You've updated your tax rates based on a specific effective date and any payments on contracts associated with that tax rate need to be updated.

If you have updated the tax rate from a specific effective date in the system, then you must add a Fixed Amount review with the review date being the same as the effective date of the tax rate. Once the contract is saved, synchronize the contract with Lease Accounting Manager. This will ensure the tax amounts are calculated based on the appropriate tax rates resulting in the accurate tax amount on invoices and payments.

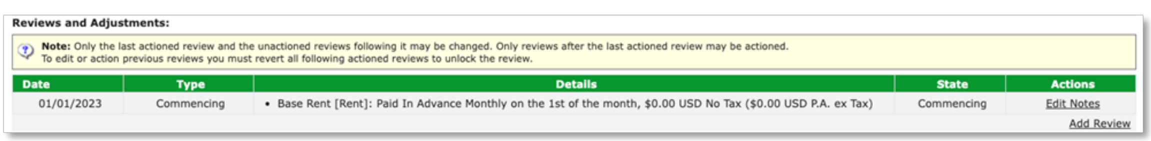
1. Search for your contract by entering the **Contract Reference number** in the Top Search Bar.
2. Once in the Asset and on the Contracts tab, select **Lease Variation** from the Actions drop-down.



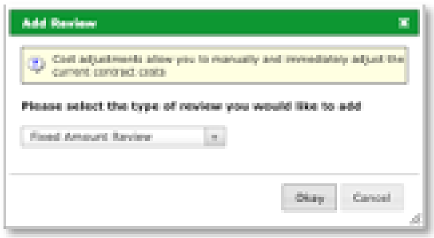
3. Click **Perform Action**.
4. In the Lease Variation pop-up, input the **Date change was known**. **Note:** This should be the effective date of the tax rate change.



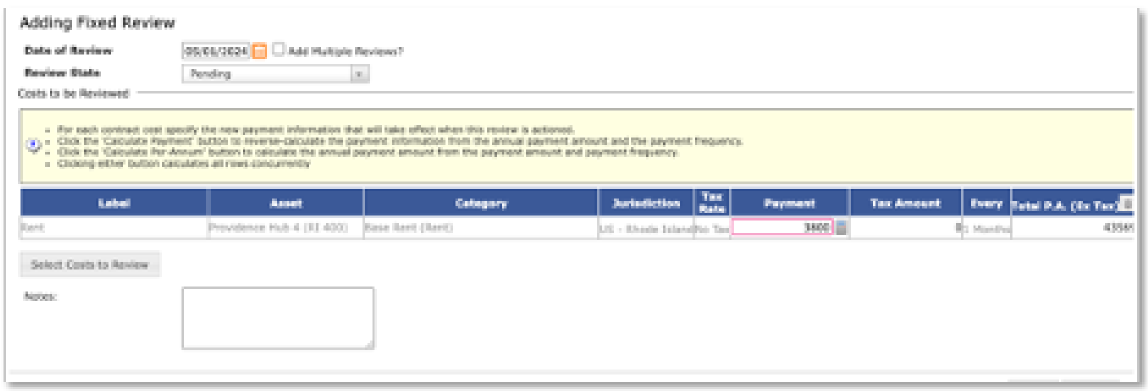
5. Click **Lease Variation**.
6. In the next Lease Variation pop-up, click **Add Review** in the Review section.



7. In the pop-up, select **Fixed Amount Review** as your Review Type.



8. In the **Add Review** pop-up, input the effective date of the tax rate change as the **Review Date**. This should be the same date you chose for the Date change was known of the lease variation.



9. Leave Review State as **Pending**.
10. Click on **Select Cost to Review.**
11. Select **All Costs** then click **Okay**.
12. Select the **Jurisdiction**, **tax rate** and enter the payment amount. Click the **Calculator** in the payment amount field which will populate the tax amount.
13. Enter any relevant **Notes**.
14. Click **Okay**.
15. Back on the Lease Variation pop-up, the Fixed Amount Review should be present.
16. Click **Action** for the review you just entered.
17. In the **Action Review** pop-up, verify the **Review Date** and **Effective Date**.
18. Click in the **Payment Amount** field and change as necessary to reflect the accurate payment amount.
19. Click the **Calculator** icon to ensure per annum population and the tax amount.
20. Click **Okay**.

21. Click **Save** on the Lease Variation pop-up and then click **Close** on the successful confirmation pop-up.

22. To synchronize the contract, go to Management from the Top NavBar and select **Lease Accounting Synchronization Management**.

23. Once in the Lease Accounting Synchronization Management workspace, click **Next** twice to get to step 3 of 4.

24. In Step 3 are a list of contracts that have been submitted but are pending approval. Find the relevant Contract Reference number and click the blue **Review and Approve** hyperlink.

25. Verify all information is correct in the pop-up and click either **Approve**, or if there is incorrect or missing data, click **Decline**.

26. If approved, click **Next** to go to Step 4. If declined, corrections need to be made within the contract.

27. Check the box next to the Contract that has been approved and is ready to be synchronized. You may check multiple boxes if you have multiple Contracts ready to synchronize.

28. Click **Complete Synchronization Process** to initiate the synchronization. When synchronization is complete, a confirmation box will appear at the top of the workspace indicating how many contracts were successfully synchronized. Once successfully synchronized, no further action is required in Lease Accounting Manager and the status within Real Estate Manager will change to **VARY LEASE – Synchronized.**

Version Summary

Version	Changes/Updates	Date
23R2.1	Guide created.	06/15/2023
23R3	Changed all reference to core to Lease Accounting Manager	08/08/2023
24R1	Updated screenshots and steps to change Vary Lease to Lease Variation and to change the Effective Date label to Date change was known.	01/19/2024
24R1.1	Added steps for Tax Amount calculations.	03/01/2024
24R2	Added scenario for updating payments when tax rates have been updated.	03/18/2024
24R2.1	Added steps for one-time increase for non-lease cost and added scenario for increasing payment and adding a cost.	06/10/2024