



**Management Fee &
Owner Report Automation**



- Management Fee
- Monthly Owner Report
- How Mi Property Portal has Fully Automated these processes?



Mi PROPERTY PORTAL

BEST VALUED RESIDENTIAL PROPERTY MANAGEMENT PORTAL



PROUDLY CANADIAN



- *A service fee collected by the property managers to manage **someone else's** property*
- *Usually it is charged on a monthly basis*
- *Could be a flat fee or percentage of rent collected or other*
- *Tax may be collected or not*

ABOUT OWNER REPORT



- *A report prepared for property owners by the property managers*
- *Generated on a monthly basis*
- *Report By Owner or property*
- *Shows Breakdown of all income, mgmt. fee and expenses for a property*
- *Shows final \$\$\$ value that an owner will receive or owe*

TYPICAL PROCESS



- *On a set date of the month all income are calculated*
- *Management fee is calculated based on **agreed upon** fee structure*
- *All expenses are calculated*
- *An statement is generated for owner*
- *Owner is paid by Cheque, E-transfer or may be by bank transfer*

WHAT ARE THE ISSUES?



- *Most of the time calculation is done through Excel or similar application*
- *May be accounting software like QuickBooks, Sage, or so on are used*
- *Repetitive job each month for each property*
- *Generate report, save as PDF, download and email to owners...**many steps & time consuming***
- *Then send money to owners through cheque, E-transfer or may be by bank transfer*

What are the issues? Cont'd



- *Once money is sent to the owner that has to be logs in the accounting software*
- *Many different tools involved*
- *Many human interaction involved*
- *Chances of human mistakes*
- *If each property takes 5-10 min on average, then calculated how many hours you are losing every month!!!*

HOW MI PROPERTY PORTAL HELPS?



- **FULLY** automated process
- Set management fee configuration once and let the system do the rest...**every month.**
- Automatic manage fee invoice **generation and closure**
- Automatic monthly owner report **generation and sharing**
- **Bulk payment** to owner and automatically **payment recording**

HOW DOES IT WORK?



1. Let the system know that you are managing this property (**not your property**)
2. Configure your management **fee structure** and **cycle date**
3. System generates mgmt. invoice on **cycle date**. Can be manually generated.
4. System auto closes invoice if it sees **enough income(recorded)** to cover management fee amount
5. Owner statement is **generated** by the system
6. **Pay owner** through the portal
7. **Share owner report** automatically or manually

STEP 1: LET THE SYSTEM KNOW



Property / New

Go Back



Property Default Operating Account 1 University Avenue
(647) 123-4567

Default Operating Account *
1009 - Rent Trust Account + Add New Account

[Following account has been selected as property default operating account](#)

Account Name: Rent Trust Account
Institution Name: Toronto-Dominion Bank (TD)

What you want to do with 'Rental Invoice' (auto generate)?

Turn On ('Rental Invoice' will be generated automatically)
 Turn Off (Do not generate 'Rental Invoice' automatically)

This property will be managed by:
Property Manager/Management Company ⚠ This can not be changed once set

Make Disbursement report available for owner

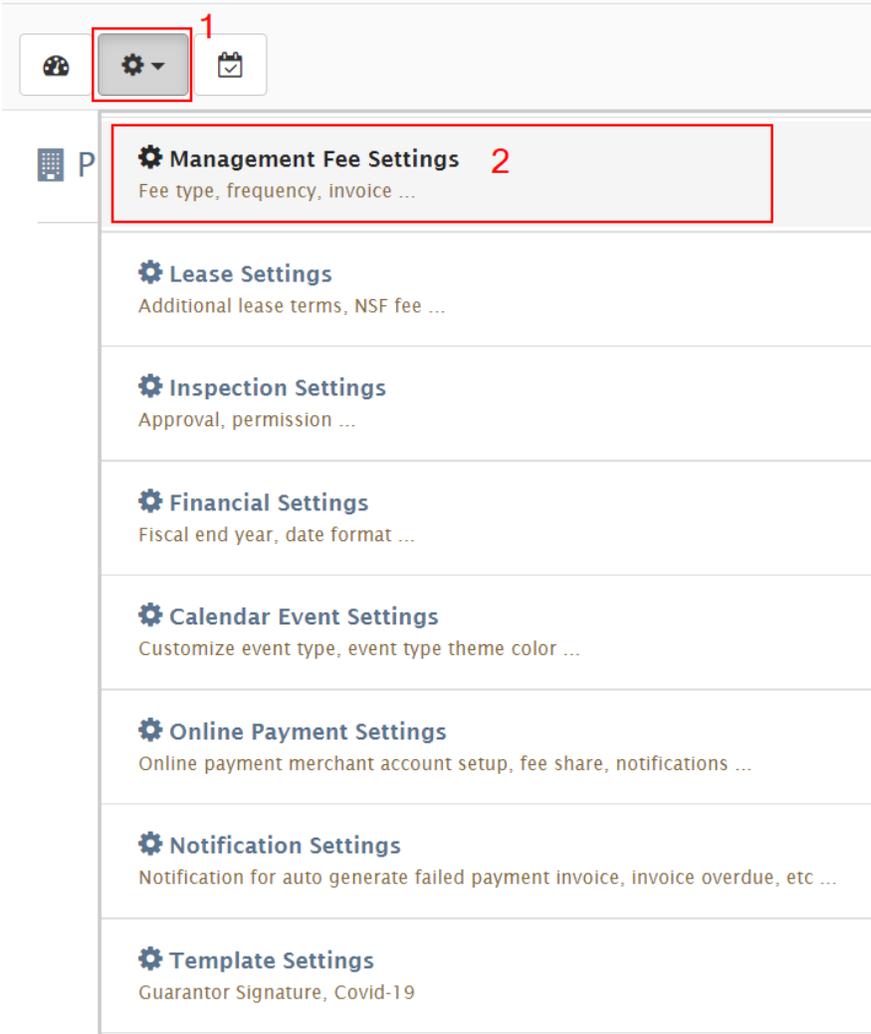
Prev Next

➤ When adding new property, choose **'Property Manager/Management Company'** from the drop-down

➤ Check **"Make disbursement report available for owner"** box if you want to **share** the owner report automatically

➤ You can change **sharing** option later.

STEP 2: MGMT FEE STRUCTURE - SETTINGS



The screenshot shows the top-left navigation area of the MiPP interface. A red box labeled '1' highlights the gear icon for settings. Below it, a dropdown menu is open, with a red box labeled '2' highlighting the 'Management Fee Settings' option. The menu items are:

- Management Fee Settings** 2
Fee type, frequency, invoice ...
- Lease Settings**
Additional lease terms, NSF fee ...
- Inspection Settings**
Approval, permission ...
- Financial Settings**
Fiscal end year, date format ...
- Calendar Event Settings**
Customize event type, event type theme color ...
- Online Payment Settings**
Online payment merchant account setup, fee share, notifications ...
- Notification Settings**
Notification for auto generate failed payment invoice, invoice overdue, etc ...
- Template Settings**
Guarantor Signature, Covid-19

- Click **Settings** icon at the top-left
- Click **Management Fee Settings**

STEP 2: MGMT FEE STRUCTURE - SETTINGS (CONT'D)



Settings / Management Fee

1. Click the **drop-down**
 2. **Select** a property
 3. Select the **type** of fee
 4. Select the **type of date** you would like to use
 - **Invoice Date:** You will charge the mgmt. fee based on invoice creation date; regardless **rent is collected or not**
 - **Invoice Payment Date*:** Based on invoice payment date (*popular*)
 - **Payment log date*:** Based on the date the income is logged into the system
 5. Type **fee amount** \$\$ or %
 6. Choose if the charge is by **property or unit**
- * **More explanation in Q & A section**

Management Fee Settings

Save

PROPERTY:

4686 Tecumseh Rd E (4686 Tecumseh Road E)

2

✓ Selected property is using property level settings.

SELECT MANAGEMENT FEE TYPE (MONTHLY)

- Flat Fee 3
- Percentage of Rent Collected ⓘ
- Percentage of Rent Due ⓘ
- Flat Fee and Percentage of Rent Collected
- Flat Fee or Percentage of Rent Collected (whichever is greater)
- Flat Fee and Percentage of Rent Due
- Flat Fee or Percentage of Rent Due (whichever is greater)

4

For the monthly cycle, the collected rent/invoices/bills should be considered based on ...

- Invoice Date ⓘ
- Invoice Payment Date ⓘ
- Payment Log Date ⓘ

ⓘ For management fee calculation, we need to know which rental income/bills should be considered for a monthly cycle.

- Invoice Date: All the invoices/bills with a invoice date between the monthly cycle will be considered
- Payment Date: All the invoices/bills with a payment date between the monthly cycle will be considered
- Payment Log Date: Any invoice/bill payment logged between the monthly cycle will be considered, even if the actual payment date falls outside the monthly cycle.

5

Flat fee of 500.00

\$

Per Property 7

6



STEP 2: MGMT FEE STRUCTURE - SETTINGS (CONT'D)



MONTHLY CYCLE START DATE

11 th (Eleventh) ← 8

THIS SELECTION IS VERY IMPORTANT AND SHOULD NOT CHANGE ONCE SET

If you select 1st, management fee calculation will consider all the rent collected from day 1 to the last day of the month (i.e. 1st June to 30th June).
If you select 15th, management fee calculation will consider all the rent collected from 15th day of the last month to the 14th day of current month (i.e. 15th June to 14th July).

Note: Management fee income and monthly owner statements is generated based on the income and expenses of one month period.
The period starts from the selected date of the previous month to one day before the next cycle start date.
For example,
if you select 15th as the cycle start day, the period will be from the 15th of the previous month to the 14th of the current month.
If you change the cycle start date, make sure to DELETE the existing management fee invoice and regenerate it by going to Accounting > Owner Payout > Search Management Fee Income.

AUTO GENERATE MANAGEMENT FEE INVOICE & INCOME COLLECTION

Do you want to auto generate the management fee invoice? Yes No ← 9

When should the system generate the management fee invoice?
Last Day Of Cycle ← 10

(last day of cycle is recommended)

Do you want to automate management fee payment collection (auto generate invoice must be on)? Yes No ← 11

AUTO GENERATE
When selected, the system will automatically generate the 'Management Fee' invoice, one day after the monthly cycle ends.

AUTO COLLECT
When selected, the system will automatically process the invoice (add payment and mark paid. Considering the collected rent in the period is enough to cover the management fee).
If the collected rent amount does not/could not cover the management fee, the invoice will remain open for manual processing (system may add partial payment if collected rent can cover partial management fee amount).

START DATE (Optional)

From when (month) you would like to start charging the management fee for this property?
01-2021 ← 12
(this is optional)

In some cases, you may have added a property in the system, but you would probably start charging the management fee from a future date. For example, you added a property in January, but you would start charging the management fee from June. You select the June date here, so that in any of the owner report, we do not display any management fee for this property.

Management fee will be generated based on the monthly cycle date (first day of cycle), which is on or after this date. Leave it empty if you would like to generate the management fee with any date for this property.

TAX & DEPOSIT ACCOUNT

Are you going to charge any taxes?
HST 13% ← 13

Management Fee Deposit Account
10535-BMO - Cash (Bank) ← 14

15 → Save

8. Select the day when you want the system to calculate mgmt. fee ***

9. Choose 'Yes' if you want the system to **AUTO generate** mgmt. fee invoice

10. Choose **when** you want the system to **AUTO generate**

11. Choose 'Yes' if you want the system to **AUTO close** mgmt. fee invoice *

12. Choose the month **from when** you want the system to generate **owner report**

13. Choose **tax** %, if applicable

14. Choose the **bank account** where you want to log the mgmt. fee income*

15. Click '**Save**' to save the settings

*** **More explanation in Q & A section**

STEP 2: MGMT FEE STRUCTURE - EXPLANATION – DATE SELECTION*



Invoice Date **Vs** Invoice Payment Date **Vs** Payment Log Date:

*For example, Rent Due Date is **March 1.***

- *System generates rental invoice, automatically, with **Invoice date as March 1.***
- *Tenant made rent payment via cash or cheque or e-transfer on March 3. which is the '**Invoice Payment Date**'*
- *You logged that payment into the system on March 5. which is the '**Payment Log Date**'*

Which One to choose?

- If you want to charge mgmt. fee regardless of rent collection or **not** then choose 'Invoice Date'
- If you want to charge based on **collected rent** then choose '**Invoice Payment Date**' (**Popular option**)
- If you want to calculate based on **actual payment log date** into the system then choose '**Payment Log Date**'

STEP 2: MGMT FEE STRUCTURE - EXPLANATION – DATE SELECTION*



What is the Cycle Date?

*This is the **day of the month** when system will:*

- Calculate all income those are **reimbursable to** the owner
- Calculate **management fee** and **generate mgmt. fee invoice**
- Calculate All expenses **reimbursable from** the owner
- Generate **Owner report**
- For the last **one month period**.

*Example: If you set **8th** as the mgmt. fee '**Cycle Date**' then your **period** would be between **8th of last month to 7th of current month**. All income and expenses logged in the system within this period will be considered to perform above calculation and generate report.*

STEP 2: MGMT FEE STRUCTURE - EXPLANATION – AUTO CLOSURE OF THE INVOICE*



Why should I select this option?

Example:

- The rent is **\$1000**
- your management fee is **10% + HST(13%)**
- Mgmt. fee cycle date is **8th** of the month
- Rent collected and recorded, FULL amount, on **7th** of the month

*In the above scenario, on **8th** of the month, system realizes that there is an income of **1,000** which is more than the mgmt. fee (**\$113**). It assumes that the property manager will pay **(\$1,000-\$113)=\$887** to the owner. So, it will **close the auto generated mgmt. fee invoice** which **you have to do it anyway**.*

*If the rent is not collected by **7th** of the month, the auto generated mgmt. fee invoice will **NOT** be closed.*

STEP 2: MGMT FEE STRUCTURE - EXPLANATION - WHEN INVOICE WILL BE CREATED*



When should the system generate the management fee invoice?

*Sometimes property managers want to generate the management fee invoice at the **beginning of the cycle**. Property managers who charge '**Flat Fee**' usually charge their landlords at the beginning of the cycle, whereas the property managers who charge fees based on '**Collected Rent**' charge their landlords at the **end of the Cycle**.*

Mi Property Portal covers both scenarios. You can choose to generate management fee invoice on:

- '**First Day of Cycle**', Or
- '**Last Day of Cycle**'

*If first option is select, the management fee **invoice date** will be the **first day of the cycle**.*

STEP 2: MGMT FEE STRUCTURE - EXPLANATION – BANK ACCOUNT*



Can I collect mgmt. in a separate bank account?

- *Yes. You can.*
- *Create a **Chart of Account**, if not exists, type '**Asset Account**' and make it a '**Payment Account**'*
- *Add this '**Chart of Account**' as **one of the operating accounts** for the property(ies)*
- *Now, in the mgmt. fee settings page, select this account from the **list of operating accounts**.*

**** By default, mgmt. fee income will be logged under default operating account of the property.**

Can I transfer mgmt. fee as an expense from Rent Trust Account where all rents are recorded?

- *Yes. You can.*
- *When management fee income is recorded you can choose '**Deposit From**' account*

STEP 3: MANAGEMENT FEE INVOICE CREATION



System will **automatically** create management fee invoice on the **cycle date**

** *Enjoy the automation*

Can Management fee invoice be created manually?

Yes. Please see following slides

STEP 3: MANAGEMENT FEE INVOICE CREATION



Owner Payout / List

Disbursements Report

View Management Fee Income

Search Management Fee Income

Owner Payout (Due)
(money owed)

Owner Payout (Due)
(amount zero)

Owner Payout (Completed)
(money paid)

Management Fee

Here you can search for a management fee income/invoice.
If an invoice is not generated yet, you can generate here after search.

Month/Year *

May 2021

Property *

4686 Tecumseh Rd E (4686 Tecumseh)



CYCLE

(01 May, 2021 - 31 May, 2021)

Invoice Total
\$1,600.00

Rent Collected
\$0.00

Management Fee
\$500.00

Tax (13%)
\$65.00

(Flat fee of \$500 Per Property)

Final Fee (Receivable)
\$565.00

Fee Collected
\$0.00

(management fee invoice doesn't exist for this period)

+ Generate Management Fee Income

- Go to **Accounting > Owner Payout > Search Management Fee Income** (screenshot above)

- Select **month, year** and click the **search box** (left screenshot)

- Verify the data and click 'Generate Management Fee Income'

This will generate the management invoice and a **line item** in Owner Payout view.

******* If mgmt. fee invoice is already generated for that month, then delete the **mgmt. fee invoice** from **Accounting > Invoice** section and follow the above steps to recreate it.

STEP 4: MANAGEMENT FEE INVOICE RECORDING



System will **automatically record payment** for the management fee invoice if it finds enough rental income for the property within the **period**.

The management fee invoice will be **kept open** if they system **does not** find enough rental income to cover the mgmt. fee amount for that period.

*** Enjoy the automation*

How to record payment manually?

From **Accounting** > **Invoices** > Find the management fee invoice and click **Record payment**.

Can I delete mgmt. fee income without deleting the invoice?

Yes, from the mgmt. fee invoice details page click the **trash** icon in the '**Payment History**' section.

STEP 4: MANAGEMENT FEE INVOICE RECORDING (CONT'D)



Can I collect mgmt. in a separate bank account?

- *Yes. You can. Select the bank account from the list of operating account.*
- *You can set bank account for each property*
- *Operating account must be created beforehand*

Can I transfer mgmt. fee as an expense from Rent Trust Account where all rent comes?

- *Yes. You can.*
- *When management fee income is recorded you can choose desired '**Deposit From**' account*

I recorded wrong amount as management fee. What do I do?

- *Delete the management fee payment and record the payment again with correct amount*

STEP 5: OWNER REPORT CREATION



*System will automatically create Owner report on the '**Cycle Start Date**'*

*** Enjoy the automation*

Can I manually create owner report?

Yes. Here are the steps:

- *From the left Navigation, go to **Accounting** > **Owner Payout** > Click '**Disbursement Report**'*
- *Select Month and Property*
- *Click '**View Report**'*

STEP 6: OWNER PAYOUT



What is Owner Payout?

*Is the method of **paying the owner** of the incomes generated from their properties*

Owner Payout includes:

Rental Income

+ Other reimbursable Income (if applicable)

+ Owner refund (if applicable)

(-) Management fee charge

(-) All expenses for that property within that cycle

*To see the Owner Payout amount go to **Accounting > Owner Payout***

On the mgmt. fee cycle date, system will generate one line item per property in this view

STEP 6: OWNER PAYOUT (CONT'D)



Amount due: what property manager needs to pay to the owner

Acme Property Management

Welcome, John

ADMINISTRATION

- Property Management
- Tenant Management
- Document Management
- Manage Admin Access

ACCOUNTING & REPORTS

- Accounting
 - Summary
 - Inflow
 - Income

Owner Payout / List

Disbursements Report

View Management Fee Income

Search Management Fee Income

Owner Payout (Due) (money owed)

Owner Payout (Due) (amount zero)

Owner Payout (Completed) (money paid)

Bulk Payment

Show 10 entries

Period	Property	Amount Due	Payment	Action
1 Apr 2021-30 Apr 2021	Tenant Credit Property (100 Eagle Street Blvd)	\$830.50 Total: \$830.50	RECORD PAYMENT	...
11 Mar 2021-10 Apr 2021	543 Road Avenue (543 Road Avenue) John Doe/John Smith	\$706.00 Total: \$706.00	RECORD PAYMENT	...
17 Mar 2021-16 Apr 2021	Another Property (2006 Lynn Heights Drive) Sample Company	\$9,454.66 Total: \$9,454.66	RECORD PAYMENT	...

Showing 1 to 3 of 3 entries

Previous Next

This view shows the line items with > 0 amount.

STEP 6: OWNER PAYOUT (CONT'D)



Owner Payout / List

Disbursements Report

View Management Fee Income

Search Management Fee Income

Owner Payout (Due)
(money owed)

Owner Payout (Due)
(amount zero)

Owner Payout (Completed)
(money paid)

Show 10 entries

Line items were created with 0 amount due because there is nothing to pay to the owner. The rent might not have been collected for that month.

Period	Property	Amount Due ⓘ	Payment	Action
Search..	Search..	Search..		
1 Apr 2021-30 Apr 2021	Spencer (12 Spencer Avenue)	\$0.00 Total: \$0.00	NOTHING TO PAY	...
1 Apr 2021-30 Apr 2021	Manitoba Property (123 University Crescent) John Smith	\$0.00 Total: \$0.00	NOTHING TO PAY	...
1 Apr 2021-30 Apr 2021	Parkway Forrest (123 Parkway Forest Drive) Jenny Smith	\$0.00 Total: \$0.00	NOTHING TO PAY	...
1 Apr 2021-30 Apr 2021	Demo Property (100 Testa Road)	\$0.00 Total: \$0.00	NOTHING TO PAY	...

- Amount due **0.00** means there is no income to report to the owner.
- This scenario is common if mgmt. fee is based on **flat fee** and calculated at the **beginning of the cycle**

STEP 6: OWNER PAYOUT (CONT'D)



Owner Payout / List

Disbursements Report

View Management Fee Income

Search Management Fee Income

Owner Payout (Due)
(money owed)

Owner Payout (Due)
(amount zero)

Owner Payout (Completed)
(money paid)

5

Bulk Payment

Show 10 entries

Period	Property	Amount Due	Payment	Action
Search..	Search..	Search..	4	1
1 Apr 2021-30 Apr 2021	Tenant Credit Property (100 Eagle Street West)	\$830.50 Total: \$830.50	RECORD PAYMENT	...
11 Mar 2021-10 Apr 2021	542 Rodd Avenue (542 Rodd Avenue) John Doe,John Smith	\$706.00 Total: \$706.00		2 Rent & Disbursements Report
17 Mar 2021-16 Apr 2021	Another Property (2006 Lynn Heights Drive) Sample Company	\$9,454.66 Total: \$9,454.66		3 Management Fee Invoice

Showing 1 to 3 of 3 entries

Previous | Next

1. Click to see the options
2. View the '**Rent & Disbursement Report**' for selected line item
3. View **mgmt. fee** invoice for selected line item
4. **Pay owner** through the portal or **Record payment** to the owner
5. **Pay owners in Bulk** or **Record owner payments in bulk**

STEP 7: OWNER REPORT SHARING



There are multiple ways to share owner reports. In the 'Rent & Disbursement Report' page you have following options:

- **Download:** Download report for **the selected month** as PDF on your local drive and manually email to owner
- **Email Report:** Email PDF report for **the selected month** directly to the multiple owners and other email address from the portal
- **Save Report:** Save a PDF copy of **the selected month's** report in the **document section** of the owner portal.

Or, you can share it automatically:

- Check '**Make Disbursement Report Available to owner**' in the property details page.
- **Edit** property details page and **Save** the change.
- Now owner can **automatically** view the report when they **login to the Owner Portal**.

A screenshot of a web application interface for property management. The page title is 'Property / edit / 5408 89Th St'. There are navigation buttons for 'Listing' (OFF), 'Back to List', and 'Back to Detail'. The main content area shows a 'Property Default Image' placeholder with a 'Browse...' button. Below this, there's a section for 'This property is managed by:' with a dropdown menu set to 'Property Manager/Management Company'. A checkbox labeled 'Make disbursement report available for owner' is checked and highlighted with a red box. To the right, there are sections for 'Auto generate 'Rental Invoice'' and 'Auto generate 'NSF Invoice'', each with a 'Turn Off' option.



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