SAP Flexible Real Estate Management

Jayant Daithankar



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Guide for Implementing and Optimizing SAP Flexible Real Estate Management Solution



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SAP Flexible Real Estate Management: Guide for Implementing and Optimizing SAP Flexible Real Estate Management Solution

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I dedicate this book to Krishnan Ramanujam, who is an inspiration to me and many of us, and to all my wonderful colleagues in SAP Practice for the support they provided.

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About the Author



Jayant Daithankar has more than 26 years of industry and SAP experience with multiple implementations, upgrades, and consultancy engagements for global clients. He is a certified SAP consultant for finance and controlling with strong domain experience in the financial arena; he has multiple professional qualifications at his credit. He has senior-level industry experience in finance, business process re-engineering (BPR), and in the delivery of BPR in large ERP projects. Experiences include domestic and international business development, system integration, change management, strategic planning, RFPs, proof-of-concept management, governance process and system analysis, and application design of SAP processes for customer-specific requirements. He had done multiple implementations of SAP REFX for Fortune 500 oil companies, international airports, and retail companies. He is currently working as SAP Centre of Excellence head for business applications in global IT major.

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Introduction

To succeed in today's global and highly competitive economy, asset optimization in real estate management has become a strategic task. Organizations need to ensure full visibility into their property portfolio, make informed decisions, improve portfolio performance, and reduce compliance costs. Increased global competition has elevated the need for sophisticated solutions for handling changing consumer demands, global workforce management, information management, compliance adherence, leasing management, and property management more effectively. SAP Flexible Real Estate Management (SAP REFX) is a full-featured and integrated solution enabling the effective management of real estate and greater insight into one's real estate portfolio. The application addresses all phases of the real estate life cycle, including real estate acquisition or disposal, portfolio management, and property and technical management.

This book provides insights intended to make the SAP REFX journey more relevant and fruitful. Furthermore, it can help decision makers, such as chief intelligence officers (CIOs) and chief experience officers (CXOs), with the important tasks of creating a business case for management approval and designing a roadmap for the organization. It also provides a comprehensive understanding of what SAP REFX is and is useful for ensuring the preparedness of teams involved in REFX implementation and rollouts. The book explains end-to-end real estate configurations, functional system landscapes, implementation challenges, and post go-live precautions important for optimizing one's investment in SAP REFX.

This book is structured as follows: Overview of the Real Estate Industry: Evolution and Trends Master Data Objects Real Estate Contracts Accounting Business Integration Service Charge Settlement Sales-Based Contracts Industry Best Practices Transformation Impact of SAP REFX Implementation Step-by-Step Guide for Configuring and Implementing SAP REFX

CHAPTER 1

Overview of the Real Estate Industry: Evolution and Trends

This chapter will provide an overview of the real estate business, its information technology (IT) challenges, and the need for a strong and integrated business solution. The chapter will further provide details on why a real estate business needs a comprehensive IT solution, and on the benefits of implementing Real Estate Flexible Management (REFX). The chapter is divided into the following topics:

- Overview and evolution of the real estate industry
- Need for IT solutions
- Challenges with existing available solutions
- Need for an integrated Enterprise Resource Planning (ERP) solution

Overview and Evolution of the Real Estate Industry

Real estate is defined as "property consisting of land and the buildings on it, along with its natural resources such as crops, minerals, or water." The business of real estate includes the buying, selling, or renting of land or buildings.

The real estate sector assumed greater prominence with the liberalization of the global economy, and the increase in business opportunities and labor migration led to a greater need for commercial and housing space. Demand for real estate is driven by population growth, employment opportunities, income levels, interest rates, and access to capital. The real estate landscape is changing because of urbanization, demographic changes, sustainability, technological changes, and the changed financial system. These changes have major implications for the real estate industry, increasing the size of the real estate asset base via huge investments. The profitability of individual companies depends on property values and demand, which are both impacted by general economic conditions.

The real estate industry has been instrumental in the overall growth of core infrastructure in last few years, and the trend shows a continuance of development globally in all geographies. The conventionally residential housing sector was first to grow, but now development in retail, hospitality, and commercial sectors is occurring at a much faster speed. The growth in the hospitality and retail sector (hotels, resorts, shopping malls, and so on) is also the result of the growing middle class, the changing habits of society, and rapid urbanization. Governments worldwide are focusing more on the development of tourism, resulting in more investment in the construction of hotels, malls, multiplexes, and so forth. Cross-country travel to obtain cheaper medical services has grown medical tourism and has resulted in the construction of hospitals and medical centers. Educational institutions are established to attract students from global markets. The information technology boom and outsourcing to provide low-cost services resulted in a huge investment in call centers.

CHAPTER 1 OVERVIEW OF THE REAL ESTATE INDUSTRY: EVOLUTION AND TRENDS

The real estate sector in developing countries is at a crucial juncture of its evolution. A significantly large portion of the industry is still influenced by unorganized retail players, but there has been a consistent rise in the share of organized players, with the number of companies growing in recent years. The global spread of many industries and the foreign direct investment in the real estate sector have contributed to a fast transformation of this sector over the past decade. Dynamic entrepreneurs have moved out from their traditional cities to major cities across the globe to expand business and capture global markets. This has resulted in a huge demand for real estate and the exponential growth of the sector.

Over the past few years, the real estate industry's strong growth has resulted in an increased demand for real estate consulting and advisory services. This includes brokerage services to enable the leasing of property, research, analysis and valuation support for real estate investors and developers, and relocation services. Real estate companies may provide expertise in either residential or commercial properties. However, many of them deal in both to expand their business sphere.

Real estate is riding on massive growth, and more and more players are entering into the market to reap the benefits. With this boom, a lot of real estate solution providers are emerging into the market. CIOs of real estate companies are on the hunt for the right technology solution, which can increase productivity, reduce costs, and enhance efficiency. The success of today's real estate organization depends on accurate information that provides deep visibility into past and future performance so as to improve decision making. Without accurate data, there is a strong risk of experiencing a reduction in operating income and return.

Need for an IT Solution

The main requirements of any real estate solution would be as follows:

Management of Real Estate

The key objective of any real estate player would be to manage the real estate efficiently and in a costeffective and optimal way. The real estate solution should help in achieving this objective. A complete view of master data–from location and size to value and usage–has to be provided so as to manage and maintain it. The SAP REFX solution provides a dual view of master data (both architectural view and usage view) to enable the management of all types of real estate objects, like a business entity, land, building, or rental object; i.e., pooled space, rental space, or rental unit. The assignment of various real estate objects to REFX master data is simple in nature.

Contract Management

The management of contracts with different stakeholders is an essential activity from a legal and statutory perspective. Real estate players deal with different vendors from whom they take a property on lease, and various customers to whom property is leased out. An IT solution should enable the effective management of these contracts to ensure legal, accounting, and statutory requirements are met. SAP REFX covers multiple business scenarios where contracts such as lease-in, lease-out, security deposit, vendor/customer contract, or GL contract are required, and such contracts can be configured in the system easily.

Space Management

Space management forms a key part of any real estate business. The real estate player should have complete details of architectural hierarchies and structures, usage considerations, and technical facilities before planning to rent out property. The IT solution must have the capability to capture and provide these details. SAP REFX provide options to capture the complete details of the property, which ensures the optimum utilization of the space.

Lease-in/Lease-out

The lease-in/lease-out process is one of the key processes in any real estate business. When a real estate player takes land on rent from a landlord for a specific period of time, the process it is called a lease-in. The lease-out process is when the real estate player rents out the space to their customer. The lease-in process enables a cash payment to the landlord and the accounting of expenses to the appropriate account, whereas the lease-out process lets you deal with cash flow from a tenant and the posting of income. The solution should be able to support both of these processes.

Reporting

Another requirement of any real estate player is that of reporting. The reporting needs to be in categories such as operational, accounting, legal, and statutory reporting, including occupancy report, valuation report, report related to tax, days outstanding report, and so on. The solution should be able to cater to all such reporting requirements. For example, it should be able to generate an occupancy report that provides details of properties that are vacant as well as the vacancy duration so as to find reasons for the vacancy and take corrective action to avoid notional loss. SAP REFX caters to multiple business requirements by providing an exhaustive reporting system.

Challenges with Existing Solutions

The real estate industry may be bifurcated into different sectors, like commercial, residential, retail, and hospitality. Each of these business types has different business models, requirements, and challenges. A solution provider must understand the business dynamics and critical business requirements of each type of business. Real estate solution implementation is not merely a technical initiative driven by the information technology department, but rather is a complete transformation initiative to be owned and driven by the entire organization.

As major real estate players are aggressive in tapping the market, most of them handle several projects across the city and nation. Hence, it is impossible for them to keep track of the properties purchased and sold and the management or development of on-going projects in all locations. Today, IT has transformed the way property business is done, and technology has provided tools to keep a check on all of their needs. Real estate solution providers have helped them to enhance the whole process through their innovative solutions. Also, there are several other solution providers that assist the real estate sector with their end-to-end support products. Such software helps their clients to automate business workflows, building strong and everlasting relationships with existing and prospective customers.

However, a major concern for real estate players is the sustainability of IT systems, which are expected to meet business demands over a reasonable period of time. The challenge of higher IT infrastructure spends amid decreased budgets hampers enterprises from effectively responding to an evolving IT infrastructure. Currently, real estate companies rely on various internal IT systems and product vendors to create new offerings and successfully run the business. This leads to maintenance overheads and an increased dependency on third-party products.

Need for an Integrated ERP Solution

Currently, solutions are available in the market that address multiple requirements of the real estate industry, like accounts receivable, billing and invoicing, planning, reporting, expense management, and Customer Relationship Management (CRM). But a single integrated solution addressing all the requirements of the industry is a must. There is a need for scalable ERP solutions with functionality designed to solve real estate industry-specific business challenges, with solutions tailored to every real estate market and

meeting the complex requirements for retail (shopping malls and strip malls), franchises, commercial, and real estate investment trusts. Existing SAP modules like Financial (FI), Project Systems (PS), and Sales and Distribution (SD) are able to take care of real estate requirements, but they are not able to specifically meet the needs of real estate businesses. SAP Asset Accounting captures details of assets owned by a company but does not specifically focus on real estate assets; i.e., land and buildings. Businesses require detailed master data regarding land and buildings, with details like quality of land, value, architectural details, and measurements, which are provided in minute detail by SAP REFX. Containing not only the appropriate master data, but also contract processing, accruals/deferrals, rent adjustment, sales based settlement, and so forth, the SAP REFX module is the perfect solution for the real estate industry. Real estate assets constitute a major component of the asset value of an organization and need to be monitored effectively. SAP REFX provides this with strong integration with the financial module.

Summary

This chapter provided an overview of the real estate sector, its evolution, and the key requirements that any IT solution needs to provide to manage a real estate business effectively. We also discussed the challenges with current IT solutions and the need for an integrated ERP solution to meet the expectations of a growing real estate business. Also, we saw how SAP REFX meets these requirements and is the suggested solution for any real estate business.

CHAPTER 2

Master Data Objects

This chapter will elaborate upon master data concepts and the different real estate views available in the Flexible Real Estate Management module. In this chapter, we will discuss the following:

- Architectural view
- Usage view
- Business entity
- Land/Building
- Rental object
- Business partners and their roles

The Flexible Real Estate Management (REFX) module is robust in managing real estate properties for activities and processes like leasing, property maintenance, and so on. The main master data in SAP REFX are business entity, property, buildings, and rental units, which are controlling objects and are called *RE-Objects*.

In order to understand the master data concepts, let us consider the following business scenario.

Vistala Reality Limited, a renowned real estate builder in Mumbai, India, has taken a plot of land on lease for 25 years from Puna Multinational Retail. Vistala Reality Limited has constructed a shopping mall on that plot of land. The shopping mall, Vistala Shopping Mall, consists of three floors and an open parking lot. The entire first floor is let out to a multinational retail store. The second floor is divided into multiple shops, which are let out to different stores and a bank ATM. It also consists of a lobby, which is commonplace. The third floor has a common lobby, a multiplex, a cafeteria, and a bank ATM. As shown in Figure 2-1, the mall is constructed on a piece of land, and some part of the land is converted into parking spaces.



Figure 2-1. Concept of master data in SAP REFX using example

Note The preceding example will be used throughout the book to explain different concepts.

The master data in SAP REFX, in which users can process real estate objects, is divided into two views:

- Architectural view
- Usage view

Architectural View

T-Code: REBDAO

Architectural views represent the overall architecture that is meaningful and can be represented from a variety of viewpoints, all of which can be combined to create a holistic view of the system. The architectural view represents the actual architectural framework of a real estate object, taking into account all of the chronological changes relevant to its usage. This is an informative view that is used to integrate with external designing software like Computer Aided Design (CAD) and also defines the space measurements, which then flow to the usage view.

It is not mandatory to maintain the architectural view, but it has to be defined before you can create the usage view. We can implement the architectural view in the following situations:

- Detailed information about the architectural structure of the real estate object is required to be maintained in the system.
- The usage of the objects changes frequently. In this case, the architectural view remains constant and new usage objects are created as needed. In our scenario, the second floor of Vistala Mall has four shops that have been leased out to four different stores. In the future, the Vistala Mall management may combine two shops and lease it as one. In this case, the architectural object would not change but the number of shops that could be leased out would be three instead of four.
- Graphical systems such as CAD are required to be mapped to the real estate system.

The architectural view is a technical view of your real estate. Using SAP REFX customizing, the following master data can be defined for the architectural view:

- Locality
- Land
- Building
- Floor
- Part of building
- Space (such as parking space, storage space, office space, and so on)
- Area

Referring to our scenario, the different master data that constitute the architectural object are locality, building, property, floor, area, and space. Figure 2-2 depicts the architectural objects related to our scenario.



Figure 2-2. Master data in the architectual view

Usage View

This is the accounting view in which the actual postings will happen in SAP. The usage view forms the basis for all object-related information used to represent real estate objects in the system. The following master data can be created for the usage view:

- Business entity
- Property
- Building
- Rental object
- Pooled space
- Rental space
- Rental unit

Now that you have a high-level understanding of the master data elements of the usage view, let us review them in more detail.

Business Entity

T-Code REBDBE

The highest element in the hierarchy of the usage view is the business entity. The business entity is usually made up of a group of buildings and properties sharing the same utilities and subject to the same tax regulations. The business entity is assigned uniquely to one company code and is the starting point for creating the usage view structure. It can contain any number of buildings and properties, which are unique within the business.

Let us take an international airport as an example, which consists of multiple buildings and areas, like terminal buildings, commercial buildings with duty free shops, parking spaces, control tower, fuel depot, open piece of space used for runway, di-icing area, pre-threshold area, and so on. If we are implementing the SAP REFX solution for rental and space management, then the international airport will be defined as a business entity. Let's look at another example–a large housing complex that was constructed by an organization for its employees. It has multiple buildings, roads, a community center, swimming pool, and club house. In order to manage allotment, maintenance, and capacity utilization, the organization has implemented SAP REFX, and the large housing complex will be defined as a business entity. Coming back to our previously mentioned business scenario, Vistala Shopping Mall will be defined as a business entity in SAP REFX.

Land

T-Code REBDPR

Land is a physical piece of land, and as part of a business entity it refers only to the land itself; it does not include the buildings on it. Sometimes land is also referred to as property. The system automatically creates land as an internal controlling object, as they are account assignment object. This object forms the basis for renting land or parts thereof, such as parking spaces or storage spaces. SAP REFX land master data is

detailed and intensive. It provides various screens to capture data related to general data/building law and usage/economic balance/values/posting parameters, quality of the land, land values, and municipality and topographical location, as well as data on building and usage rights. These fields are used for capturing land details only. In our scenario, the parking area will be defined as land/property.

Building

T-Code REBDBU

A building is part of a business entity. The system automatically creates a building as an internal controlling object, as they are account assignment objects. Buildings, or their parts, are the basis for renting spatial units, such as apartments, warehouses, and stores. SAP REFX building master data is detailed and intensive. It provides various screens to capture general data/additional data/fixtures and fittings characteristics/ posting parameters, and so on. We categorize the building according to its type and condition; describe its fixtures and fittings, characteristics, and area usage; and enter important dates (such as construction year, start and end of construction, date of modernization, etc.). You can also assign a building to a profit center or a business area.

Rental Objects

T-code (REBDRO)

Rental objects comprise three objects:

- Rental unit: A rental unit is created when one unit is to be leased out in totality and is treated as one complete piece. In our scenario, the entire first floor of Vistala Shopping Mall is leased out to a multinational retail store and hence we will define it as a rental unit.
- Pooled space: This is the total space available from which we can take rental spaces for lease-out. We can have a proper regulation in the space that can be leased out as pooled space and will allow the exact rental spaces to be rented out. In our scenario, the pooled space will be defined to represent the complete floor area.
- Rental space: A space extracted from a pooled space for lease-out. In our scenario, the second and third floors of Vistala Shopping Mall are divided into multiple smaller spaces and rented out to multiple stores, a bank for an ATM, a multiplex, and a cafeteria. We will define rental spaces to represent the multiple smaller spaces. For example, we have pooled space (PS1) of 1000 square feet, out of which one rental space (RS1) of 400 square feet is extracted. Now the system will only allow the creation of rental spaces that will have an area of 600 square feet total.

The data elements of the usage view applicable in our scenario are business entity, building, property, pooled space, rental space, and rental unit. The same is depicted in Figure 2-3.



Figure 2-3. Master data in usage view

The master data in SAP REFX is defined in a hierarchical manner. Each object at the lower level is linked to a corresponding object at a higher level. The hierarchy is maintained as shown in Figure 2-4.



Figure 2-4. Master data hierarchy maintained in SAP REFX

The differences between the architecture view and the usage view are shown in Figure 2-5.



Figure 2-5. Master data hierarchy maintained in SAP REFX

Business Partners and Their Roles

A business partner in SAP REFX is a person or an organization with whom a business interest exists. Vital data such as name, addresses, bank details, and data related to persons, organizations, or groups is maintained as part of business partner data. Different real estate management processes require different business partner data.

The business partner can assume multiple business partner roles depending on the business process involved, such as lease-in, lease-out, or real estate services. You do not need to create the general data– which is independent of a business partner's function or of application-specific extensions–again in each case for each business partner. This prevents data from being created and stored redundantly. Each business partner role also brings additional application-specific attributes to the business partner. In effect, a role is a certain view of the business partner that is dependent on the business context.

The functions of the business partner are defined in financial transactions via business partner roles, such as counterparty, issuer, payment bank, or depository bank. The rights and obligations of the business partner are defined at the time of assigning the role category.

In SAP REFX, all customers or vendors must be defined as a business partner (T-Code: BP) in order to generate FI postings. We can also create a business partner from existing customers or vendors by using T-Codes FLBPD1 and FLBPC1 respectively. Also, the linkage of an existing customer or vendor to a business partner can be done via T-Codes FLBPD2 and FLBPC2 respectively. We can also automate the creation of a customer or vendor when the business partner is created.

SAP Financial Accounting has accounts receivable (AR) and accounts payable (AP) subledgers to manage accounting data for all customers and vendors, by using customer/vendor master records. Customer and vendor integration with the business partner is required for SAP REFX to use Financial Accounting (FI). For example, say you have business partner XYZ, who is also a customer. In SAP REFX, for XYZ the business partner number is 8781 and the customer master number is 2456. Now, in order to ensure the sanity of data and one single source of truth, the business partner and customer master records of XYZ need to be integrated so that any data change made in one master record is reflected in another.

CHAPTER 2 MASTER DATA OBJECTS

There are multiple business roles available in SAP REFX, but we will consider two main roles–those of vendor and customer–to support the lease-in and lease-out processes. Table 2-1 explains these two main business partner roles.

Technical Name	Business Meaning
Master tenant with customer account (TR0600)	A standard tenant who concludes a real estate contract. The tenant's customer account is used to handle the rent receivables and credit memos.
Landlord with vendor account (TR0602)	Landlord of an object (leased-in by the company code). The landlord is assigned to a contract. The rent to be paid is handled on the vendor account assigned to the landlord.

Table 2-1. Two Main Business Partner Roles

Let us try to understand business partners using our business scenario. Vistala Reality Limited has taken a plot of land on lease for 25 years from Puna Multinational Retail, to whom monthly rent is paid. Landlord with vendor account is the business partner role that is taking care of this business relationship. Vistala Reality Limited has let out different shops, such as stores, ATM, cafeteria, and multiplex, to different customers for monthly rent. They are all tenants of the mall owner, and thus their role is that of a master tenant with customer account. Figure 2-6 showcases these two main business partner roles.



Figure 2-6. Two main business partner roles
Summary

In this chapter, we explained the two real estate views available in SAP REFX–architectural view and usage view–with a business case as an example. We also discussed various master data elements like business entity, land, building, and rental objects. These elements are used to create a real estate structure and to control and monitor real estate assets effectively. Lastly, we also explained the concept of business partners and two main roles that can be used for capturing vendor and customer transactions for lease-in and lease-out processes.

CHAPTER 3

Real Estate Contracts

This chapter will explain different types of real estate contracts carried out as well as contract management. In this chapter, we will discuss the following:

- Lease-in contracts
- Lease-out contracts
- Terms and security deposit agreements
- Critical dates with reason
- Condition amounts
- Steps in contract management

A real estate contract is a contract between two parties, the lessor and the lessee. The lessor is the legal owner of the asset who provides the lessee the right to use the asset for consideration, which is a rental payment. A formal document called an *agreement* contains details like property, term, rental amount, and also detailed terms and conditions. SAP REFX has provisions to capture these details. It also updates accounting data once periodic postings are carried out.

Some of the key aspects related to contracts are mentioned next.

Lease-in Contracts

A lease-in contract would be created in cases where we are renting land or building premises from a third party. Take the example of a gasoline company with large gasoline stations across country. Each station is constructed on land that is taken on lease from a local landlord. This is a lease-in contract for the gasoline company. In SAP REFX, this contract is supported by the general contract, which enables accounts payable postings to be made on the lease-in contract.

Lease-out Contracts

Lease-out contracts can be of residential or commercial properties. This is determined based on the usage type of the assigned rental unit. Lease-outs may be segregated according to company-specific criteria using freely defined contract types like garage agreements or residential or commercial agreements.

The gasoline company uses the land taken on lease for a gasoline station and lets out the balance of the area to different tenants for a fast food restaurant, bank ATM, tire shop, and so forth, which are all lease-out contracts. In SAP REFX, this contract type is supported by the general contract, which enables accounts receivable postings to be made on the lease-out contracts.

Terms and Security Deposit Agreements

All real estate contracts need terms information, such as the start and end dates of the contract, duration, termination notice rules, renewal option rules if applicable, and so on. In SAP REFX, rental objects are assigned to lease-out or lease-in contracts, and those that are not assigned to any contract type are considered as being vacant and available for rent. SAP REFX also provides information on contracts that are expiring and will serve notices until they are renewed.

The security deposit contracts are those where the tenant pays a deposit, which is refundable after the end of the contractual duration. The security deposit can be due on various dates and be subject to adjustment when conditions are changed, like an increase in rent. Besides contractually fixed security deposits, the agreed upon security deposit can also be calculated based on the contract conditions.

Critical Dates with Reason

Critical dates are those dates that are important from a contractual and statutory perspective. SAP REFX contracts provide the functionality to capture critical dates of the contract, like start date, end date, and notice period, and can provide alerts to ensure timely action. The contract term stipulates start and end dates, which ensures that overlapping rental periods are not created for the rental object. You can specify critical dates on each contract, and the system will provide you with a periodic critical-dates report for your entire real estate (RE) portfolio. Automatic reminders can be set in the system to ensure no critical contract date goes unnoticed and that timely actions are initiated. You can manually enter critical dates, renewal option dates, and notices, and the system will automatically generate reminders based on these dates.

Condition Amounts

The condition amounts are rents to be charged for use of property and are freely definable in an SAP REFX contract. This means that the basic rent, service charges, advance payments, flat rates, and surcharges can be structured as required and assigned time-dependently to the lease-outs. Condition amounts are derived from condition types and are mapped to a condition group and then assigned to a contract type. Let us take the example of "Basic rent," which is created as condition type and mapped to condition group "Customer contract," which in turn is assigned to contract type "customer contract-commercial."

When the lease-out is created, the conditions in the rental unit are proposed and can be modified as required. You can also determine time-dependent rent reductions for each condition of a lease-out. This is also available for lease-in contracts.

Steps in Contract Management

Let us see how to create a commercial lease-out contract for a department store that is let on monthly fixed charges. We have captured key tabs from the SAP REFX contract-creation process.

In order to post receivables to the customer account in case any space has been leased out to alliance partners, a commercial lease-out contract needs to be created in SAP REFX.

The creation of a contract in SAP REFX should only be done after the agreement has been signed between the organization and the alliance partner and all necessary approvals have been obtained by the respective role holders.

Before the contract can be created, necessary master data objects should have been created in the system, such as the business entity, pooled space, and rental space. The business partner entry also needs to be created for the customer with whom the alliance has been made.

To define a process contract in SAP Easy Access, choose Accounting ➤ Flexible Real Estate Management ➤ Contract ➤ Process Contract, or use transaction code RECN (Figure 3-1). The procedure is as follows:

1. Start the transaction using the menu path or transaction code as just described.



Figure 3-1. SAP Easy Access

2. Click RECN - Process Contract

With this, the contract creation starts and the user is presented with the screen seen in Figure 3-2.

Real Estate C	ontract	
) 🔁 🚊 💷 👘	🔁 Edit Object
Real Estate Contract		
Company Code	0001	Puna Multinational Retail
Contract		

Figure 3-2. Real Estate Contract window

3. Click

The user is presented with a screen that provides different contract types, as shown in Figure 3-3. There are multiple options for lease-in and lease-out contracts. For our example, we select the "Commercial lease-out" contract option.

	F	
Contract Type	Commercial lease-out	-
ID of New Contract	Commercial lease-out	
Company Code	Residential Lease-Out Service Contract (Customer)	
Contract	Internal Lease-Out	
	Commercial Lease-In	
	Residential Lease-In	
	Service Contract (Vendor)	
	Internal Lease-In	
	G/L Account Contract	-
	Secur.Deposit Lease-Out Comm.	-

Figure 3-3. Create Real Estate Contract window

The contract type specifies whether contract is lease-in or lease-out and should integrate the contract with accounts receivable or accounts payable. It also specifies if it is a commercial or residential contract and which business partners, such as tenants or landlords, are allowed on the lease. The number ranges and display screens are defined at the contract-type level.

4. Click

We get to a screen with multiple tabs, and it is required that details are entered in relevant tabs wherever applicable.

As required, enter the data in the General Data with Fast Entry tab, as mentioned in Table 3-1 and shown in Figure 3-4.

Table 3-1. General Data with Fast Entry Tab

Field Name	Description	Value
Contract name	Description of the contract name	Lease out of department store

5. Click Partners

We have already discussed in a previous chapter business partners and their roles, and now we will see how they are assigned in a contract (Figure 3-5).

REC <new> Create: General Data with Fast Entry</new>
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Real Estate Contract <new></new>
General Data with Fast Entry Partners Term Objects Differing Measurements Posting Parameters Conditions Adjustment
Identification
Contract Type Commercial lease-out
Company Code 0001 Puna Multinational Retail
Contract
Object / Partner
🖻 Rental Object
S Master Tenant wit.
Term/Organizational Assignment/Conditions
Contract Start To Profit Center
End of Term 🔗 Business Area
Notice Proced. Notice For
S Condition(s)
Contract
Contract name
Contract Conclusion

Figure 3-4. Create: General Data with Fast Entry window

REC Commercial lease-out <new> Create: Partners</new>
← → ♡ □ ₽ 4 4 7 2 0 0 0 0 0 0 0 0 0 1 1
Real Estate Contract KITEN> General Data with Fast Entry Partners Term Objects Differing Measurements Posting Parameters Conditions
[Display Al Periods] Image: State Data & Account Image: State Data & Account
Detais

Figure 3-5. Create: Partners window



7. Select the "Master Tenant w.Cust.Acct." option.

This is the role that is used for commercial lease-out contracts. This will bring up the Business Partner Search screen (Figure 3-6).

🖻 Business Partner Se	earch		\mathbf{X}	
Partner, General				
Name1/LastName	1			
Name2/FirstName				
Search Term 1				
Search Term 2				
BusPartner				
Phonetic Search	for Name Field	s Active		
Address Data				
Street Name				
House Number				
Postal Code				
Location				
Country				
🖌 🗙 🖻				

Figure 3-6. Business Partner Search screen

Click Click

CHAPTER 3 REAL ESTATE CONTRACTS

R	EC Commercia	al lease-o	ut <nev< th=""><th>W> Create: Partners</th><th></th><th></th><th></th><th></th></nev<>	W> Create: Partners				
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Real	Estate Contract	<new></new>						
4	General Data with F	ast Entry P	Partners	Term Objects Differing Measure	ements /	Posting	Parameters	Conditions
1	[Unlimited]							
	🛃 📕 🖓 Mas	ter Data 🐼	Account					
	Det Name of BP Ro		Partner	Name/address		Strt rel.	End relat.	
	Master Tenant	w.Cust.Acct	OAF-CU-04	Samurai Fireworks LTD / / MINATO-KU	107-0052			
2								
	Details					-		
	BP Role	TR0600		Tenant w.Cust.A				
	BusinessPartner	OAF-CU-04	4	Fireworks LTD / / MINATO-KU 107-0052				
	Start reltnship			End of relat.				
	Address Type							
	Customer	34		Fireworks LTD / / MINATO-KU 107-0052				

Figure 3-7. Create: Partners screen after adding business partner

8. Click Term

Enter the data in the Term tab as mentioned in Table 3-2 and shown in Figure 3-8.

Table 3-2. Term Tab

Field Name	Description	Value
Contract start date	Start date of contract	01.01.2015
1st Contract End	End date of 1st contract	31.12.2015

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General Data with Fast E	ntry Partners	Term Objects Differi	ng Measurements	Posting Parameters	Conditions Adjustme
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Term			•		
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Term O Memo		0.1 fl. 5			
Term O Memo Contract start date	01.01.2015	Cash Flow From	01.01.2015		
Term O Memo Contract start date 1st Contract End	01.01.2015	Cash Flow From First Posting From			
Term O Memo Contract start date	01.01.2015		01.01.2015		
Term O Memo Contract start date 1st Contract End	01.01.2015		01.01.2015		
Contract start date 1st Contract End Term in months	01.01.2015		01.01.2015		
Contract start date 1st Contract End Term in months	01.01.2015		01.01.2015		
Contract start date 1st Contract End Term in months End of Term	01.01.2015		01.01.2015		

Figure 3-8. Create: Term screen

9. Click Objects

The contract needs to be assigned to a rental object (Figure 3-9). This specifies which real estate property, like land, building, spaces, or other items, are let out as per the agreement. Rental objects are assigned for a specific time duration or period as agreed upon by both parties. When multiple properties are included in the same contract or with similar conditions, they can be grouped to simplify processing.



Figure 3-9. Create: Object screen

10. Click **.** This will show a list of object types (Figure 3-10).

Col	oject Type (1)	2 Entries Found
_/	Restrictions	
		∇
V	図 (13) (13) [23]	310
Ty.	Object Type	e
	🚱 Rental Objec	
OPR	陷 Object Group	D

Figure 3-10. Select rental object type

11. Double-clicking Rental Object will bring up the Rental Object Search screen (Figure 3-11).

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RU no. old Person Responsible Maximum No. of Hits 500	REC Commercial lease-out <new> Create: Objects</new>	General Rental Objects Rental Objects for Building Rental Objects for Company Code Company
Detais	Detais	

Figure 3-11. Search Rental Object screen

12. Click **12**. This will show a list of rental objects fitting your criteria (Figure 3-12).

CHAPTER 3 REAL ESTATE CONTRACTS

	- 4 -	COQI		Ger	neral Rent	tal Object	s	Ren	tal Obje	cts for	Building	Re	ntal Objects	for Property	
REC Commercial	lease-out	<new> C</new>	reate:		(H) (H)						٣	_			
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al Estate Contract	(NEW>				0001 1	1	RU	0004	2		00.00.0000	1 11		departmental store	201246
General Data with Fas			Objects マ SS 장순												
Object Hierarchy REC <new></new>	Object Type	Name From	To Obj												

Figure 3-12. Result of rental object search

13. Click

14.

You will find the department store that is a rental object and has been let in its entirety.



Posting parameters determine what financial and controlling postings are used in the books of the company. Details include posting frequency, calculations, tax and jurisdiction codes, dunning rules, and controlling information relating the cost center or business area in which that posting is made.

a. Click on the Postings tab (Figure 3-13).

		arrease	out	<new></new>	create	e: Posting Parameters
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al Estat	te Contract	<new></new>	_			
_	eral Data with F	1	Dad	ners Tern		jects Differing Measurements Posting Parameters Conditions
Gen		ast Entry	Pdit	lieis Teili		Jects Dimening Measurements Posting Parameters Conditions
			II.			
_	Term Categor			Term	Memo	
•	Postings	y Horne		<standard></standard>		
	Frequency			<standard></standard>		
	Organizational	Assignment		<standard></standard>		
Post	tings: <standar< th=""><th>d> Condition:</th><th>5</th><th>• Merno</th><th></th><th></th></standar<>	d> Condition:	5	• Merno		
Post			5	• Memo		
		• Conditions	s			
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Nur Pay	Postings	Condition		ard> Pm	nt Block nning Are	
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Nur Pay Pay Hou	Postings mber yment Method yment Terms	Conditions		ard> Pm Dur Dur	nning Are	
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Nur Pay Pay Hou Acc	Postings mber yment Method yment Terms use Bank use Bk Acct	Conditions	Standa	ard> Pm Dut Dut Not	nning Are nning Blo te to Pay nk Details	ck

Figure 3-13. Create: Posting Parameters screen, with Postings tab selected

b. Select "Frequency" in the Term Category Name column (Figure 3-14).

Key aspects to note are as follows:

Frequency: If the frequency of payable is monthly, choose the option as "1 Month" in the Frequency field drop-down menu. Depending upon the frequency agreed upon, the same needs to be selected from the option available in the dropdown.

FrequencyStart: Choose the appropriate frequency start from the options available in the drop-down. In cases of monthly frequency, you can choose the option "Start of condition," in which case the frequency of payments will start from the date of the start of condition.

Prorated: In case the agreement starts from any date within the month–say, the 16th or so–and the agreement says to make the first payment for the first 14 days in the current month and then pay on a monthly basis, the Prorated option "Contract or Rental Object Start of End Date" needs to be chosen.

Amt Reference: Choose the option from the drop-down entries as to whether the amount is paid monthly, yearly, or cyclical, as the case may be.

Calc. Method: Whether the calculation of the amount due is based on an exact number of days in a month or a fixed 30 days in a month. Choose the appropriate option as the case may be.

Payment Form: Whether the payment is received at the beginning of the month for the month ahead or at the end of the month for the previous month. Choose the options "In Advance" or "In Arrears" respectively as the case may be.

+	»በ ጜ ଟቆ	1 4					
Estat	e Contract <new></new>						
Gene	eral Data with Fast Entry	Part	tners Ten	m Objects	Differing Measurements	Posting Parameters	Conditions
		- 110					
Det	Term Category Name	No.	Term	Memo			
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	Frequency		<standard></standard>				
	Organizational Assignme	nt	<standard></standard>				
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Figure 3-14. Create: Posting Parameters, with Frequency tab selected

15. Click Conditions

We use the Conditions tab to indicate the type of rental amount agreed upon by the parties. It can be a fixed rate charged on a periodic basis, or that is to be calculated based on the measurements of the individual rental objects assigned to the contract. All rental charges are time specific. Based on the conditions specified, we can capture advanced payments or prepayments that are reconciled at a later date. You can use the Conditions tab to initiate a controlling or financial posting action. When you enter conditions in a contract, the system automatically creates a cash-flow projection of planned income or expenses, which is posted to the Financials module, and planned income or expense data is converted into open items.

We also have sales-based rent, where rentals are charged based on sales revenue or volume of sales. When a contract is sales based, the system captures all conditions, calculations, and relevant information for the sales-based rent settlement process. Take an example of a duty-free shop in an airport lounge, where airport authorities have rented out a space and rent is determined based on the volume of sales at the shop. SAP REFX provides functionality to capture detailed information on the types of eligible products, number of products sold, product schedule or grading, and any effective sales caps. Once you enter this information in the contract, the system tracks reported tenant sales, processes rent calculations at specified intervals, and posts open items in the financials. This process is supported by the SAP Interactive Forms software by Adobe. The tenant enters sales data using the SAP Interactive Forms software, which compiles sales reports and correspondence. The sales-based lease functionality can also be used for expense leases; for example, when a retailer leases a shop from a shopping mall operator.

Click to add the condition type (Figure 3-15).

Cr Condition Type 21 Entries	901/1 Change: Conditions
	0 B 4 & E II II
CTyp Condition Type Name	Lease out of departmental store
✓ 60 Sales-Based Rent 65 Advertising Fees - Sales-Based	m Objects Differing Measurements Posting Parameters Conditions Adjustment Settlement Participation
✓ 10 Basic Rent 61 Minimum Sales-Based Rent	▲ ▼ 88 ⑤ 92 Key Date 01.01.2015
12 Walenouse Dasic rent	Smulte 🕅 😥 🕱 . 🥦 . 💷
13 Store Basic Rent 62 Sales-Based Rent AP	Culation Object CalcFormulaName Unit Price Valid from Valid to IP er Month I Tax -Month 0001/1/1 Sales-Based Rent 0.000000 01.01.2015 31.03.2017 0.00 0.00
20 Operating costs advance pmnt 21 Heating exp.adv.pmnt	0001/1/1 Fixed Amount 300,00000 31.03.2017 300,00 48,00 0001/1/1 Fixed Amount 200,00000 31.03.2017 200,00 32,00
22 Service charge OC/HE Adv.Pmnt 23 Elevator advance payment	0001/1/1 Pixed Amount 200,000000 31.03.2017 200,00 32,00 • 500,00 • 80,00
30 Operating costs flat rate 31 Heating expenses flat rate	
32 SC flat rate (OC + HE) 33 Elevator flat rate	
66 Min. Sales-Based Advert. Fees 67 AP Sales-Based Advert. Fees	Distribution O Memo
15 Parking space/garage rent 63 Maximum Sales-Based Rent	departmental store
68 Max. Sales-Based Advert. Fees	SC-Relevant Statist. One-Tm
	.2017 1st Posting 31.03.2015
	0000 Formula Fixed Amount
VEEVH×	SAP

Figure 3-15. Conditions: Condition Type screen

Clicking will add the selected condition type, as shown in Figure 3-16. Enter the relevant condition amount for the condition type.

Estal	te Contract	<new></new>								
Gen	eral Data with Fas	t Entry Partners	Term Objects	Differing Meas	urements I	Posting Param	eters / Con	ditions A	djustment	Settlement Participa
			1 1 1 (00)	- ingl						
	1.2015-31.03.20			Key Date	23.10.2015					
B		🖸 🔎 🚺 🤯 Display	Simulate		. 💷 . 🚺]				
Det	PsS Purp.	Name Condition Type	e Calculation Object	CalcFormulaName	Unit Price	Valid From	Vald to	Σ Per Month	Σ Tax -Month	
•		nt Sales-Based Rent	RO 0001/1/1	Sales-Based Rent	0,000000	01.01.2015	31.03.2017	0,00	0,00	
	0	nt Basic rent		Fixed Amount	300,000000		31.03.2017	300,00	48,00	
	Se Actual Ren	nt Office Basic Rent	RO 0001/1/1	Fixed Amount	200,000000		31.03.2017	200,00	32,00	
								• 500,00	• 80,00	
	s-Based Rent - 00	01/1/1 - 01.01.2015			× A V					
Sale	Condition Te	erms Calculation	 Distribution 	 Memo 						
Sale										
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	culation Obj.	R0 0001/1/1	departr	mencal score						
Cal		R0 0001/1/1 Sales-Based Rent	departr •	mencal score	C					
Cali	culation Obj.		-	elevant Statis		m				

Figure 3-16. Create: Conditions screen

16.	Click General Data with Fast Entry
17.	Click 💅 Activate
18.	Click

By clicking Save, the contract is created, as shown in Figure 3-17 (real estate contract 0001/1 is created).

1 REC 0001	/1 Display: General Data with Fast Entry
← → 1% □ ₽ •	6 🙆 1 🚱 4 🖓 4 🗸 5 🗸 5 💷 🖪
Real Estate Contract General Data with Fa	0001/1 Image: Settlement a store ist Entry Partners Conditions Adjustment Settlement Participation
General Data With Pa	ac bity Partners Frenin Objects Unitering resolutioners Posting Parameters Controloris Registerient Sectioneric Partogecon
Object / Partner	•
Rental Unit Master Tenant wit	0001 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
Term/Organizational Ass	ignment/Conditions
Contract Start	01.01.2015 To Profit Center
End of Term	Business Area
Notice Proced.	Notice For
P Default Condition	on(s) J T to 23.10.2015 500,00 EUR
Contract	
Contract name	Lease out of departmental store
Contract Conclusion	31.03.2017
2nd Signature	
Main Contract	
Old contract	
Tenancy law	German tenancy law
Industry	03 Real Estate
Contract Currency	EUR
Relevant to Sales	
Real Estate Contract 0	001/1 was created

Figure 3-17. Contract created

Summary

We have learned in this chapter how to create real estate contracts, with different business information being captured as part of a standard SAP REFX contract. An SAP REFX contract is a prerequisite to having the accounting and posting of transactions in the Financials module, and thus contracts need to be understood clearly.

CHAPTER 4

Accounting

In this chapter we will talk about how to configure accounting in an REFX implementation. In this chapter, we will discuss the following:

- Periodic posting of lease-out contracts
- Reversal of periodic posting of contracts
- Verification of posting document after periodic posting
- Vacancy for rental objects
- Account determination
- One-time posting
- Accrual/deferral postings

We saw in an earlier chapter that real estate contracts are formed between two parties, where the lessor is the legal owner of the asset and provides the lessee the right to use the asset for consideration, which is a rental payment. The contract is an agreement entered into by both parties and covers details like property, term, rental amount, terms, and conditions. The SAP REFX module provides various tabs in which to capture these details at the time of contract creation. It also updates accounting data once periodic postings are carried out.

The periodic processing program generates payments and receivables based on the conditions assigned to the SAP real estate contract. The program also automatically creates follow-up postings based on changes made to conditions for back-dated changes. These postings are automatically recorded in the general ledger and within the controlling module. The periodic processing program is run for any contract type and within both simulation and update modes. Reversal of entries may also be generated through the periodic processing reversal program. Entries created using the periodic processing program must be reversed using the periodic processing reverse periodic postings when changes are made to a condition after the periodic posting run, since any changes made to the condition will be recorded during the next periodic posting run. Besides generating financial postings for accounts payable and receivable, it also distributes contract costs among the real estate objects assigned to the contract.

Let us take for an example a company that leased commercial spaces to tenants and invoices them on a yearly basis using Flexible Real Estate Management (REFX), where the real estate contract contains payment terms and conditions. The company is required to invoice the customers on due dates by posting the Financials (FI) document periodically, updating both the customer account and the revenue General Ledger (GL) account.

There is seamless integration between REFX and the accounting modules (Finance and Controlling), and these postings are automated.

SAP REFX's lease accounting is fully integrated into SAP Financials and SAP Controlling.

- Period postings of all payable, receivable, and GL transactions are based on the cash flow of the real estate contract conditions.
- Open items are managed through accounts payable and accounts receivable
- One-time posting transactions may be generated through the real estate module.
- Periodic postings of all vacant rental objects, where the vacancy cost centers are billed

Real estate invoices are created and printed from within the REFX module based on postings made to the vendor account. The periodic postings will identify all plan items within the defined due date and generate a debit and a credit posting for each one of the plan items. There is also a CO posting against the real estate contract (for a payable lease, this is a cost posting, whereas the receivable lease will have a revenue cost element). The transfer posting then allows these costs/revenues on the lease to be distributed to the RE objects or other CO objects. The vacancy posting reates either lost revenue or vacancy cost postings against the identified cost center. The periodic posting run can first be simulated to enable review and modifications, if required. All changes should be made in the contract to generate the right cash-flow adjustment, resulting in the proper postings.

One-time posting transactions allow for a pre-configuration of RE-specific posting transactions (based on transaction FB50) and can be posted to accounts payable, receivable, a GL account, or a combination of these.

Let us see how periodic posting for lease-out contracts is carried out.

Periodic Posting for Lease-out Contracts

You use the periodic posting run (creation of debits on customers) to generate open items in a customer account, which can be cleared by receipt of money from customer against these debits.

Trigger

Perform this procedure when periodic posting is due. In a real estate contract for lease-out, it will be specified whether it is a monthly, quarterly, or yearly contract. The periodic posting run has to be carried out as per that criteria.

Prerequisites

Following are the prerequisites for using real estate accounting for posting of transactions:

- Creation of contract
- Release of contract

Menu Path

SAP Easy Access Menu ➤ Accounting ➤ Flexible Real Estate Management ➤ Accounting ➤ Periodic posting ➤ Periodic posting

Transaction Code

RERAPP

30

Procedure

Follow these steps to carry out Periodic posting process:

1. Start the transaction using the menu path or transaction code.

The Periodic posting process: Contracts screen, as shown in Figure 4-1, will be displayed.

Periodic Posting: Contra	cts		
🕒 🗮 🖾 Last Log 🛛 🖾 Overview	Selection via Sets		
Contract Selection			
Company Code	0001	to	9
Contract	0	to	9
Contract Type		to	0 0 0 0
BE for Contract		to	9
Object Selection Active	🔁 Object		_
Period/key date			
Contract Validity		to	
Filter			
✓ Status Selection Active	🔁 Status		
Person Responsible		to	\$
Period			
Month for Posting Run	12		
Year for Posting Run	2015		
Due date	\$ 31.12.2015		
Calculation Date To			
Posting			
Document Header Text	Per.Posting: DEC 15		
Posting Date	01.12.2015		

Figure 4-1. Periodic posting process: Contracts screen

2. As required, complete or review the necessary fields, as shown in Table 4-1.

 Table 4-1. Periodic posting process: Contracts-Contract Selection Section

Field Name	Description	Value
Contract Number	Description of the contract number	3
Contract Type	Description of the contract type	CO01

^{3.} Click **1**. This will show the list of contract types (Figure 4-2).

Contract Type (1) 23 Entries found							
Restrictions							
<u> </u>							
 Image: Second sec							
CT^	Contr.type text						
AS01	Assessment Contract						
CM01	Condo. Management Contract						
C001	Commercial lease-out						
C002	Residential Lease-Out						
CO03	Service Contract (Customer)						
CO04	Internal Lease-Out						
CU01	Commercial Lease-In						
CU02	Residential Lease-In						
CU03	Service Contract (Vendor)						
CU04	Internal Lease-In						
CX01	G/L Account Contract						
DO01	Secur.Deposit Lease-Out Comm.						
D002	Secur.Deposit Lease-Out Res.						
LM01	Municipal Fee Notice						
LMPT							
LO01	Customer Right of Use Contract						
L002	Cust. Contr.Changing Holdings						
L003	Customer Land Lease Contract						
LU01	Vendor Right of Use Contract						
LU02	Vend. Contr.Changing Holdings						
LU03	Vendor Land Lease Contract						
MN01	Management (Customer)						
MN02	Management (Vendor)						

Figure 4-2. Contract types

4. Double-clicking "Commercial lease-out" will populate the contract type field (Figure 4-3).

Periodic Posting: Contra	cts		
🕀 📜 🛃 Last Log 🛛 🖉 Overview	Selection via Sets		
Contract Selection			
Company Code	0001	to	9
Contract	3	to	0 0 0 0
Contract Type	C001 🖸 🔁	to	9
BE for Contract		to	9
Object Selection Active	Dbject		
Period/key date			
Contract Validity		to	
Filter			
Status Selection Active	🔁 Status		
Person Responsible		to	9
Period			
Month for Posting Run	12		
Year for Posting Run	2015		
Due date	\$ 31.12.2015		
Calculation Date To			
Posting			
Document Header Text	Per.Posting: DEC 15		
Posting Date	01.12.2015		

Figure 4-3. Periodic posting process: Contracts screen after selecting contract type

5. As required, complete and review the following fields, as shown in Table 4-2 and Figure 4-4.

 Table 4-2.
 Periodic posting process: Contracts–Posting Section (Simulation) and Output Section

Field Name	Description	Value
Month For Posting Run	Description of the month for posting run	12
Posting Run Mode	Description of the posting run mode	Simulation (S)
Type of Posting Run	Description of type of posting run	Periodic Posting (REDP)
Only Display Error Log	Display error log	Select

Document Header Text	Per.Posting: DEC 15	5
Posting Date	01.12.2015	
Document Date	01.12.2015	
Posting Period	12	
Posting Run Mode	Simulation	•
Type of Posting Run	Periodic Posting	-
Dutput		
Only Display Error Log	7	
Layout	OSTANDARD	Cash Flow View

Figure 4-4. Periodic posting process: Contracts screen Posting (run mode as Simulation) and Output sections

6. Clicking will display the log (Figure 4-5).

🕄 🔞 🗞 Technical Information 🚹 Help	
Overview	Nu
Periodic Posting: Contracts; user mode Simulation	1
 The runtime for posting process was 00:00:01 hour(s) 	1
 I object(s) processed, 1 successfully, 0 with errors, 0 not postable 	1
 I document(s) processed; 1 successfully, 0 with errors, 0 cancelled 	1
 Processed successfully 	3
 REC 0001/3 	2
	the second se
Type Message Text	@0 @ 0 △ 0 C LTxt
Type Message Text Periodic Posting: Contracts; user mode Simulation	the second se
Type Message Text Periodic Posting: Contracts; user mode Simulation The runtime for posting process was 00:00:01 hour(s)	the second se
Type Message Text Periodic Posting: Contracts; user mode Simulation The runtime for posting process was 00:00:01 hour(s) 1 object(s) processed, 1 successfully, 0 with errors, 0 not postable	the second se
The runtime for posting process was 00:00:01 hour(s)	the second se

Figure 4-5. Posting log for simulation

CHAPTER 4 ACCOUNTING

7. As required, complete and review the following fields, as shown in Table 4-3 and Figure 4-6.

 Table 4-3.
 Periodic posting process: Contracts-Posting Section (Update Run)

Field Name	Description	Value
Posting Run Mode	Description of the posting run mode	Update Run (E)
Type of Posting Run	Description of type of posting run	Periodic Posting (REDP)

Document Header Text	Per.Posting: DEC 15	
Posting Date	01.12.2015	
Document Date	01.12.2015	
Posting Period	12	
Posting Run Mode	E Update Run	-
Type of Posting Run	REDP Periodic Posting	-

Figure 4-6. Periodic posting process: Contracts screen Posting (run mode as Update Run) and Output sections

8. Clicking will display the log (Figure 4-7).

	Alex.
Overview Periodic Posting: Contracts: user mode Lindate Run	Nu.
 Periodic Posting: Contracts; user mode Update Run The runtime for posting process 00000012015REPP was 00:00:12 hour(s) 	1
 I object(s) processed, 1 successfully, 0 with errors, 0 not postable 	1
 I document(s) processed; 1 successfully, 0 with errors, 0 cancelled 	1
 Processed successfully Processed successfully 	3
 REC 0001/3 	2
)(
Type Message Text)(
Type Message Text Periodic Posting: Contracts; user mode Update Run)(
Type Message Text Periodic Posting: Contracts; user mode Update Run The runtime for posting process 00000012015REPP was 00:00:12 hour(s))(
Type Message Text Periodic Posting: Contracts; user mode Update Run)(

Figure 4-7. Posting log for update run

CHAPTER 4 ACCOUNTING

You can verify accounting, controlling, and real estate documents by displaying the contract and selecting the Conditions tab and click on status field (Figure 4-8).



Figure 4-8. Display: Conditions screen

Double-clicking on "Accounting document" will display the document posted and its accounting entry (Figure 4-9)

1		Disp	olay Docu	ment: Data Entry V	ïew				
°P	r f (3 4	Taxes	📩 Display Currency 🛛 🗏 Ge	neral Ledger View	r			
Data	Entry	v View	1						
Doc	ument	t Num	ber 1000000	00 Company Code	0001	Fiscal Ye	ar		2015
Doc	ument	t Date	01.12.2	015 Posting Date	01.12.2015	Period			12
Refe	rence		0000000	12015REPP Cross-Comp.No.					_
Curr	ency		EUR	Texts exist		Ledger (Group		
	A	9	HBF.	2.%	a . 🖽 . In				
C*	Itm		Account	Description		Amount	Curr.	Tx	Trs
00	1	01	34	Samurai Fireworks LTD		232,00	EUR	Α	
	2	50	841000	Rental rev. 3rd pty		200,00-	EUR	Α	
	3	01	34	Samurai Fireworks LTD		232,00	EUR	Α	
	4	50	841000	Rental rev. 3rd pty		200,00-	EUR	Α	
	5	01	34	Samurai Fireworks LTD		348,00	EUR	Α	
	6	50	841000	Rental rev. 3rd pty		300,00-	EUR	Α	
	7	01	34	Samurai Fireworks LTD		232,00	EUR	Α	
	0	50	841000	Rental rev. 3rd pty		200,00-	EUR	Α	
	8	50	041000						
	9	01	34	Samurai Fireworks LTD		348,00	EUR	Α	

Figure 4-9. Display Document screen

9. The transaction is complete.

Result

Periodic posting run was successful.

Reversal of Periodic Posting

You will use this procedure to reverse a periodic posting run just carried out.

Trigger

Perform this procedure in cases where you want to reverse periodic posting carried out for any contract.

CHAPTER 4 ACCOUNTING

Prerequisites

Periodic posting run has been carried out.

Menu Path

SAP Easy Access Menu ➤ Accounting ➤ Flexible Real Estate Management ➤ Accounting ➤ Periodic Posting ➤ Reversal of Periodic Posting for Contracts

Transaction Code

RERAPPRV

Procedure

Follow these steps to carry out a reversal of Periodic posting process:

- 1. Start the transaction using either the menu path or the transaction code.
- 2. As required, complete and review the following fields, as shown in Table 4-4 and Figure 4-10.

Table 4-4. Reverse Contract Posting: Document Selection and Posting Data Section

Field Name	Description	Value
Company Code	Description of the company code	0001
Contract Number	Description of the contract number	3
Reason for Reversal	Description of the reason for reversal	Wrong entry reversed in current period (02)
Only Display Error Log	Description of only display error log	Select

Reverse Contract Post	tings		
🕒 🗟 Last Log 🛛 🗟 Overview			
Doc. Selection			
 Selection By Process ID Selection By Contracts Company Code Contract Number Process ID Fiscal Year Posting Period Posting Date 	0001	to to to to to to	0 0 0 0 0 0
Doc. Reference Key Type of Posting Run	Periodic Posting	to	\$
Posting Data			
Mode	Simulation	•	
Reason for Reversal	Reversal in current	t period 💌	
Posting Date			
Posting Period			
Output			
Only Display Error Log	л ц		
Parallel Processing			
Parallel Processing			

Figure 4-10. Reverse Contract Postings screen

3. Clicking 🚯 will display the log (Figure 4-11).

🕄 🔞 🛷 Technical Information 🚹 Help		
Overview		Nu
Reversal Process; user mode Simulation		1
 The runtime for posting process was 00:00:02 hour(s) 		1
 I object(s) processed, 1 successfully, 0 with errors, 0 not postable 		1
 I of 1 document(s) have been successfully processed 		1
 Processed successfully 		3
 Real Estate Contract 0001/3 		2
	111	
상기 옵딩에 많 F. 일, %, 요아, 마, @0	1	
Image: Second Simulation	X 0 LTxt	۵۵(
Type Message Text	1	۵٥(
Type Message Text Reversal Process; user mode Simulation	1	۵٥(
Type Message Text Reversal Process; user mode Simulation The runtime for posting process was 00:00:02 hour(s)	1	
Type Message Text Reversal Process; user mode Simulation The runtime for posting process was 00:00:02 hour(s) 1 object(s) processed, 1 successfully, 0 with errors, 0 not postable	1	△ 0(

Figure 4-11. Revers. Process screen



5. As required, complete and review the following fields, as shown in Table 4-5 and Figure 4-12.

Table 4-5. Reverse Contract Posting: Posting Data Section

Field Name	Description	Value
Mode	Description of mode	Update Run (E)

Reverse Contract Posti	ngs		
🕀 🖾 Last Log 🖉 Overview			
Doc. Selection			
Selection By Process ID Selection By Contracts Company Code Contract Number Process ID Fiscal Year Posting Period	0001	to t	0 0 0 0 0 0
Posting Date Doc. Reference Key		to to	\$
Type of Posting Run	Periodic Posting	~	Mu
Posting Data			
Mode	Update Run	· · · ·	
Reason for Reversal	Reversal in current	period 🔻	
Posting Date			
Posting Period			
Output			
Only Display Error Log			
Parallel Processing			
Parallel Processing			

Figure 4-12. Reverse Contract Postings screen



7. You have completed this transaction (Figure 4-13).

Overview Nu Reversal Process; user mode Update Run The runtime for posting process 00000022015RERV was 00:00:15 hour(s) 1 object(s) processed, 1 successfully, 0 with errors, 0 not postable 1 of 1 document(s) have been successfully processed Processed successfully Real Estate Contract 0001/3 Real Estate Contract 0001/3 	C A Tachalad Information Utala	
 Reversal Process; user mode Update Run The runtime for posting process 00000022015RERV was 00:00:15 hour(s) 1 object(s) processed, 1 successfully, 0 with errors, 0 not postable 1 of 1 document(s) have been successfully processed Processed successfully Real Estate Contract 0001/3 Real Estate Contract 0001/3 Resage Text LTxt Reversal Process; user mode Update Run The runtime for posting process 00000022015RERV was 00:00:15 hour(s) 1 object(s) processed, 1 successfully, 0 with errors, 0 not postable 1 object(s) processed, 1 successfully, 0 with errors, 0 not postable 1 object(s) processed, 1 successfully, 0 with errors, 0 not postable 	🕄 🔞 🗞 Technical Information 🚹 Help	
 The runtime for posting process 00000022015RERV was 00:00:15 hour(s) 1 object(s) processed, 1 successfully, 0 with errors, 0 not postable 1 of 1 document(s) have been successfully processed Processed successfully Real Estate Contract 0001/3 	Overview	Nu
 I object(s) processed, 1 successfully, 0 with errors, 0 not postable I of 1 document(s) have been successfully processed Processed successfully Real Estate Contract 0001/3 Real Estate Contract 0001/3 	 Reversal Process; user mode Update Run 	1
 I of 1 document(s) have been successfully processed Processed successfully Real Estate Contract 0001/3 Real Estate Contract 0001/3 	 The runtime for posting process 00000022015RERV was 00:00:15 hour(s) 	1
Processed successfully Real Estate Contract 0001/3 Real Estate Contract 0001/3 Set and the set of the s	 I object(s) processed, 1 successfully, 0 with errors, 0 not postable 	1
Real Estate Contract 0001/3 3 Image: Contract 000000022015 3 Image: Contract 000000022015 3 Image: Contract 000000022015 3 Image: Contract 000000022015 3 Image: Contract 0000000022015 3 Image: Contract 000000000000000000000000000000000000	 I of 1 document(s) have been successfully processed 	1
Image: Second system Image: Second system <t< td=""><td> Processed successfully </td><td>4</td></t<>	 Processed successfully 	4
Type Message Text LTxt Reversal Process; user mode Update Run Image: Comparison of the state of the s	 Real Estate Contract 0001/3 	3
Reversal Process; user mode Update Run The runtime for posting process 000000022015RERV was 00:00:15 hour(s) 1 object(s) processed, 1 successfully, 0 with errors, 0 not postable 1 of 1 document(s) have been successfully processed		
 The runtime for posting process 00000022015RERV was 00:00:15 hour(s) 1 object(s) processed, 1 successfully, 0 with errors, 0 not postable 1 of 1 document(s) have been successfully processed 	«·····································	¥0\\[]\0
 1 object(s) processed, 1 successfully, 0 with errors, 0 not postable 1 of 1 document(s) have been successfully processed 		and the second
1 of 1 document(s) have been successfully processed	Type Message Text	and the second
	Type Message Text I Reversal Process; user mode Update Run	and the second
Processed successfully	Type Message Text I Reversal Process; user mode Update Run The runtime for posting process 00000022015RERV was 00:00:15 hour(s)	and the second
	Type Message Text I Reversal Process; user mode Update Run I The runtime for posting process 000000022015RERV was 00:00:15 hour(s) I 1 object(s) processed, 1 successfully, 0 with errors, 0 not postable	and the second

Figure 4-13. Reversal process complete

Result

You have reversed the periodic posting.

Verification of Posting Document after Periodic Posting

Use this procedure to verify the documents have been posted and the accounting entry passed.

Trigger

Perform this procedure after periodic posting is over.

Prerequisites

Periodic posting run has been carried out.

Menu Path

SAP Easy Access Menu ➤ Accounting ➤ Flexible Real Estate Management -> Contract

Transaction Code

RECN

Procedure

Follow these steps to carry out the verification of a posting document:

- 1. Start the transaction using either the menu path or the transaction code.
- **2.** As required, complete and review the following fields, as shown in Table 4-6 and Figure 4-14.

Table 4-6. Real Estate Contract

Field Name	Description	Value
Contract Number	Description of the contract number	3

Real Estate Co	ntract	
🗢 🔿 & 🖉 🗋	6 <u>2</u> .	🕆 Edit Object
Real Estate Contract		
Company Code	0001	Puna Multinational Retail
Contract	3	Lease out of departmental store

Figure 4-14. Real Estate Contract screen

3. Click to display the contract (Figure 4-15).

👼 🔎 REC 0001,	/3 Display: General Data with Fast Entry
🗧 🔿 1 🌮 🗅 🔁 🥊	j 🍻 🕴 🗿 🕞 🥔 🕼 🖨 🦑 👗 🗮 🔳
eal Estate Contract General Data with Fa	0001/3 Cease out of departmental store st Entry Partners Term Objects Differing Measurements Po
Identification	
Contract Type	Commercial lease-out
Company Code	0001 Puna Multinational Retail
Contract	3
Rental Unit Master Tenant wit Term/Organizational Ass	
Contract Start	01.01.2015 To Profit Center P0002
End of Term	Business Area
Notice Proced.	Notice For
🔗 🐼 Default Conditi	on(s) 2 to 16.11.2015 500,00 EUR
Contract	
Contract name	Lease out of departmental store
Contract Conclusion	31.03.2017

Figure 4-15. Display: General Data screen for commercial lease-out

4. Regarding due-date determination in the periodic posting process:

Due dates for a condition are specified by the frequency term, such as in advance, midmonth, or in arrears. For more complex payment requirements, a correction rule is defined for determining the due date. The correction rule is also assigned to the frequency term. An organization may have a business process in place to make rent payments 7 days in advance of the next month's rental payment. Additionally, the rent expense should be recorded in the same month in which the check was issued, not the month for which the payment was due. The periodic processing program selects rent payments based on their due dates and posts those rents to the period specified within the posting program. For example, if a company processes July's rent payments on 06/23, then on 06/24 the periodic processing program is executed for period 9 with a due date of <= 06/30 and a posting date of 06/24, in period 8. A seven-day correction rule will be configured with the name and will by default applied to the contract.

5. Click the **Conditions** tab (Figure 4-16).

	600	D 6 4	4 . 5 .		4 4 5					
⊨ ⇒	-									
al Estat	te Con	tract 0	001/3		Lease out	t of departmental	store			
Gen	eral Da	ta with Fast	Entry Partners	Term		ering Measuremen		Parameters	Conditions	Adjustmer
Gen			citory Percificity	- Frenn -	objects Daile	and a second second	a rooting	referrection	condicions	najasama
01.0	01.201	5-31.03.201	7	- A	- 1880 III K	Key Date 01.01	2015			
-										
-		Simulat		1						
Det	PsS	Purp.	Name Condition	444			e Valid From	and the second se	Σ Per Month	and a subscription of the
	0	Actual Re	Basic rent	RO 0001/1/1	Fixed Am	300,000000	01.01.2015	31.03.2017	300,00	48,00
	-									
	ē		Office Basic Rent	RO 0001/1/1	Fixed Am	200,000000		31.03.2017	200,00	32,00
	-		Office Basic Rent	RO 0001/1/1	Fixed Am	200,000000		31.03.2017	200,00 - 500,00	
	-		Office Basic Rent	RO 0001/1/1	Fixed Am	200,000000		31.03.2017		
	ē	Actual Re		RO 0001/1/1	Fixed Am			31.03.2017		
Basi	ē	Actual Re	Office Basic Rent	RO 0001/1/1	Fixed Am	200,000000		31.03.2017		
Basi	ē	Actual Re	01.01.2015					31.03.2017		
Basi	c rent	Actual Re	01.01.2015					31.03.2017		
-	c rent Cond	Actual Re 0001/1/1 - tion Ten	01.01.2015 ms 🖌 🕈 Calcula		ribution of a	▼ ▲ Memo		31.03.2017		
Cal	c rent Cond	Actual Re • 0001/1/1 - tion Ten n Obj.	01.01.2015 ms / • Cakula R0 0001/1/1	tion Y		▼ ▲ Memo		31.03.2017		
Cal	c rent Cond	Actual Re • 0001/1/1 - tion Ten n Obj.	01.01.2015 ms 🖌 🕈 Calcula		ribution of a	▼ ▲ Memo		31.03.2017		
Cali	c rent Cond culation	Actual Re • 0001/1/1 - tion Ten n Obj.	01.01.2015 ms / • Cakula R0 0001/1/1	tion Y	ribution of the state of the st	Memo tore		31.03.2017		
Cale Cor Cor	c rent Cond culation	Actual Re 0001/1/1 - tion Terr n Obj. Type Purpose	01.01.2015 ms • Calcular R0 0001/1/1 Basic Rent	tion / Dist	ribution of the second	Memo ore		31.03.2017		

Figure 4-16. Display: Conditions screen for commercial lease-out

- 6. Click Display
- 7. Click 🐼 to display the list of documents in accounting (Figure 4-17).

æ .	REC Comm	ercial lea	se-ou	t 0001/3 D	isplay:	Conditio	ns							
⊨ ⇒	1 1 B B	6 1 0	6	🤣 🗗 🖨 🤜	8 <u>8</u>									
al Esta	te Contract	001/3		4	Lease ou	it of departm	nental s	tore						
Ger	neral Data with Fast	Entry Par	tners	Term Obje	cts Diff	fering Measur	ement	s Posting	Parameters	Con	ditions	Adjustment	Settlement Participatio	on
_		1		-	(mark)			1						
×	To Conditions	J		Display	Stand	ard	•							
🗅 Obj	ect Cash Flow													
5	3 A 7 M	B.S.		¥. 🗋 🙆 .		1.								
	Simulation of Partn	er-Rel. Cash Fl	ow - Al	Conditions (23/54)									
R	Flow Type Name	Due Date	Status	E NetCodCrcy E	TaxCC I	GrCndCrcv	CdCr	Calc. from	Calc. to	LCur	FTyp	Partner/Acct Assgr	rt Obi.	
-	Office basic rent	01.01.2015	æ	200,00	32,00	232,00	EUR	01.01.2015					TD / / MINATO-KU 107-	-005
	Basic rent	01.02.2015	0	300,00	48,00	348,00	EUR	01.02.2015	28.02.2015	EUR	1000	Samurai Fireworks L	TD / / MINATO-KU 107-	-005
	Office basic rent		8	200,00	32,00	232,00	EUR			EUR	1100	Samurai Fireworks L	TD / / MINATO-KU 107-	-005
	Basic rent	01.03.2015	ē	300,00	48,00	348,00	EUR	01.03.2015	31.03.2015	EUR	1000	Samurai Fireworks L	TD / / MINATO-KU 107-	-005
	Office basic rent		æ	200,00	32,00	232,00	EUR			EUR	1100	Samurai Fireworks L	TD / / MINATO-KU 107-	-005
	Basic rent	01.04.2015	ē	300,00	48,00	348,00	EUR	01.04.2015	30.04.2015	EUR	1000	Samurai Fireworks L	TD / / MINATO-KU 107-	-005
	Office basic rent		ē	200,00	32,00	232,00	EUR			FUR	1100	Samurai Fireworks I	TD / / MINATO-KU 107-	-00

Figure 4-17. List of documents in accounting

8.

Double-click Accounting document document (Figure 4-18).

to view accounting

		y Viev							2015
Document Number 2000000			ber 1000000	Company Code	0001	Fiscal Ye	Fiscal Year		
Doc	umen	t Date	01.12.2	2015 Posting Date	Period			12	
Refe	rence	•	0000000	12015REPP Cross-Comp.No.					
Curr	ency		EUR	Texts exist		Ledger (Group		
	A	7			🔁 , 🖽 , I 🕼)			
-									
C	Itm	PK S	Account	Description		Amount	Curr.	Tx	Trs
_	Itm 1	PK 5	Account 34	Description Samurai Fireworks LTD		Amount 232,00	Curr. EUR	Tx A	Trs
	_								Trs
	1	01	34	Samurai Fireworks LTD		232,00	EUR	Α	Trs
_	1	01 50	34 841000	Samurai Fireworks LTD Rental rev. 3rd pty		232,00 200,00-	EUR EUR	A A	Trs
_	1 2 3	01 50 01	34 841000 34	Samurai Fireworks LTD Rental rev. 3rd pty Samurai Fireworks LTD		232,00 200,00- 232,00	EUR EUR EUR	A A A	Trs
_	1 2 3 4	01 50 01 50	34 841000 34 841000	Samurai Fireworks LTD Rental rev. 3rd pty Samurai Fireworks LTD Rental rev. 3rd pty		232,00 200,00- 232,00 200,00-	EUR EUR EUR EUR	A A A A	Trs
_	1 2 3 4 5	01 50 01 50 01	34 841000 34 841000 34	Samurai Fireworks LTD Rental rev. 3rd pty Samurai Fireworks LTD Rental rev. 3rd pty Samurai Fireworks LTD		232,00 200,00- 232,00 200,00- 348,00	EUR EUR EUR EUR EUR	A A A A	Trs
_	1 2 3 4 5 6	01 50 01 50 01 50	34 841000 34 841000 34 841000	Samurai Fireworks LTD Rental rev. 3rd pty Samurai Fireworks LTD Rental rev. 3rd pty Samurai Fireworks LTD Rental rev. 3rd pty		232,00 200,00- 232,00 200,00- 348,00 300,00-	EUR EUR EUR EUR EUR EUR	A A A A A A	Trs
C	1 2 3 4 5 6 7	01 50 01 50 01 50 01	34 841000 34 841000 34 841000 34	Samurai Fireworks LTD Rental rev. 3rd pty Samurai Fireworks LTD Rental rev. 3rd pty Samurai Fireworks LTD Rental rev. 3rd pty Samurai Fireworks LTD		232,00 200,00- 232,00 200,00- 348,00 300,00- 232,00	EUR EUR EUR EUR EUR EUR EUR	A A A A A A A	Trs

Figure 4-18. Document overview display



List of Documents in Accounting

10. Double-click Profit center doc.

to display profit center

documents (Figure 4-19).

So Master Red	cord 🕑 🕄 🖗 🖨 🐺 🏥 🖷		3			
Layout	1SAP Primary cost posting					
COarea currency	EUR EUR					
Valuation View/Group	0 Legal Valuation					
A DocumentNo Doc. Date	Document Reader Text		RI RefDocNo User Name	Des Dur		
PRw OTy Object	CO object name	Cost Elem.	Cost element name	Val/COArea Crcy	Total quantity FUM C C	ffst.acc
10000002 01.12.2015			R 320			
1 REC 3	Lease out of departmental sto		Rental rev. 3rd pty	200,00-	E 3	
2 REC 3	Lease out of departmental sto	- 841000	Rental rev. 3rd pty	200,00-	E 3	4
3 REC 3	Lease out of departmental sto	- 841000	Rental rev. 3rd pty	300,00-	E 3	4
4 REC 3	Lease out of departmental sto	- 841000	Rental rev. 3rd pty	200,00-	E 3	4
5 REC 3	Lease out of departmental sto	- 841000	Rental rev. 3rd pty	300,00-	E 3	4
6 REC 3	Lease out of departmental sto	- 841000	Rental rev. 3rd pty	200,00-	D 3	4
7 REC 3	Lease out of departmental sto	- 841000	Rental rev. 3rd pty	300,00-	E 3	
B REC 3	Lease out of departmental sto	- 841000	Rental rev. 3rd pty	200,00-	E 3	4
9 REC 3	Lease out of departmental sto	- 841000	Rental rev. 3rd pty	300,00-	E 3	4
10 REC 3	Lease out of departmental sto	841000	Rental rev. 3rd pty	200,00-	E 3	4

Figure 4-19. Profit center's actual line items



12. Double-click on RE Document to display real estate documents (Figure 4-20).

Dis	Display RE Document												
	A 9	7 7 2		7 =			• •	• •	4				
-													
			-						Ref. Date				
REPP	REDF	00000032	015RE	PF 01.12.	2015 01.	12.201	5		RERAPP	0001 1	00000002		2015
1	OI D	232,00	EUR	01.01.20	15 31.01	.2015 1	REC 00	01/3		OAF-CU-04	1100	P0002	A
2	C	200,00	EUR	01.01.20	15 31.01	.2015 I	REC 00	01/3		OAF-CU-04	1100	P0002	A
3	OI D	232,00	EUR	01.02.20	15 28.02	.2015 1	REC 00	01/3		OAF-CU-04	1100	P0002	A
4	C	200,00	EUR	01.02.20	15 28.02	.2015 H	REC 00	01/3		OAF-CU-04	1100	P0002	A
5	OI D	348,00	EUR	01.03.20	15 31.03	.2015 1	REC 00	01/3		OAF-CU-04	1000	P0002	A
6	C	300,00	EUR	01.03.20	15 31.03	.2015 H	REC 00	01/3		OAF-CU-04	1000	P0002	A
7	OI D	232,00	EUR	01.03.20	15 31.03	.2015 1	REC 00	01/3		OAF-CU-04	1100	P0002	A
8	C	200,00	EUR	01.03.20	15 31.03	.2015 H	REC 00	01/3		OAF-CU-04	1100	P0002	A
9	OI D	348,00	EUR	01.04.20	15 30.04	.2015 1	REC 00	01/3		OAF-CU-04	1000	P0002	A
10	C	300,00	EUR	01.04.20	15 30.04	.2015 H	REC 00	01/3		OAF-CU-04	1000	P0002	A

Figure 4-20. Display RE documents

13. You have completed this transaction.

Result

You have verified that the accounting, profit center, and controlling documents have posted.

Vacancy for Rental Objects

We can post notional costs (or revenue) resulting from the conditions of the rental objects to vacancy cost centers. We use this function to analyze vacancy costs. Let us take an example of a rental object that is let out for part of the year and vacant for the remaining period. This needs to be analyzed as to what is the notional cost of failure to rent out property or building on said rental.

Periodic postings are made for a company code or codes. You can simulate and reverse posting runs as previously discussed. Posting and error logs display current information about the posting status. If you define conditions on the rental object, and the rental object is vacant, the system updates the cash flow based on the conditions defined for the case of vacancy (vacancy cash flow). With every subsequent periodic posting for the vacancy, the system generates a cash flow and posts the receivables according to the conditions defined.

Retroactive changes (such as the subsequent activation of a contract) could result in follow-up postings. If the notional cost is to be posted to a cost center in your organization, you have to assign the cost center to the rental object (in the Posting Data tab). The posting can also be made across company codes; in other words, the posting is made to a cost center belonging to another company code in the same controlling area. If the rental object is not assigned to a cost center, you post the expense to the rental object itself.

Let us take the example of a department store situated in building 1 of a mall that has been vacant since 01/01/2016. As per the market rate, the store can be leased out for monthly rent of EUR 16,000. We can carry out the posting to arrive at a vacancy cost resulting from the non-letting of the store. This cost is attributable to the non-occupancy of the premises and the notional loss thereby incurred. Follow the steps mentioned next to carry out a vacancy posting for this example.
Menu Path

SAP Easy Access Menu ➤ Accounting ➤ Flexible Real Estate Management ➤ Accounting ➤ Periodic Postings ➤ Periodic posting process: Vacancy for Rental Objects

Transaction Code

RERAVP

Procedure

Follow these steps to carry out a vacancy posting.

1. Start the transaction using either the menu path or the transaction code. Enter the relevant details, like business entity, rental object, posting period, due date, posting date, etc. (Figure 4-21).

Periodic Posting: Renta	al Objects (Vacancies)	
🕒 🕱 🖾 Last Log 🖉 Overview	🛛 🧐 Selection via Sets	
Object Selection		
Company Code	0001 0 to	\$
Business Entity	6 to	8
Rental Object	1 🖭 to	\$
Period/key date		
From/On	21.06.2016 To	
Filter		
Status Selection Active	💽 Status	
Person Resp. Selection Active	Person Respons.	
Period		
Month for Posting Run	5	
Year for Posting Run	2016	
Due date	\$ 31.05.2016	
Calculation to		
Posting		
Document Header Text	Vacancy: MAY 16	
Posting Date	01.05.2016	
Document Date	01.05.2016	
Posting Period	5	

Figure 4-21. Periodic posting process: Rental Objects (Vacancies) screen

2. Clicking will execute the vacancy posting (Figure 4-22).

Per	iodic	Po	sting: Renta	l Objects (Vacancies)					
2	Doc	mer	nts 🔍 🗛 🗑	77 2% 20 20 4	a 🐨 🐝		H	4 > H	
Period	dic Pos	ting	s: Objects						
pdate									
	cy: MAY								
	0122016								
1.06.	2016	12:	:31:36						
⊿	Co	24	Object ID	Flow Type Name	Bline Date	Net Amount	Crcy	Calc. from	Calc. to
000	00	1 5	RD 0001/6/1	Vacany office basic rent	01.01.2016	16.000,00	EUR	01.01.2016	31.01.2016
000	00	11	RO 0001/6/1	Vacany office basic rent	01.02.2016	16.000,00	EUR	01.02.2016	29.02.2016
000	00	11	RO 0001/6/1	Vacany office basic rent	01.03.2016	16.000,00	EUR	01.03.2016	31.03.2016
000	00	11	RO 0001/6/1	Vacany office basic rent	01.04.2016	16.000,00	EUR	01.04.2016	30.04.2016
000	00	1 8	RO 0001/6/1	Vacany office basic rent	01.05.2016	16.000,00	EUR	01.05.2016	31.05.2016
000	• Ob	ect	RD 0001/6/1			80.000,00	EUR		
000	00	1				80.000,00	EUR		
000	••• Po	stir	ng Procedure RE	VP		80.000,00	EUR		
_		-							

Figure 4-22. Periodic posting process: Rental Objects (Vacancies) result screen

3. Click **Documents** to display the posting documents (Figure 4-23).

Per	riodic	Po	sting: R	enta	l Obj	ects (Vaca	ncie	s)																			
	2 9	6	988	2	Q 7		41 15	B	н	•	н																	
	Ref.		. Reference Amount									r Text	e CoCd	Dec. D	ate i	Patng Dat		G/L									Cancel:0	
200	REACI	2	00000012	20160	0000001			RFBO	5	Va	cancy:	HAY 1	6 0001	01.05.	2016 0	1.05.20	16 01.	.05.201	6 2016	1	5 48	00000	012201	GREVP	10000	8000		
	1	1	16.000,00	EUR						·01.	01.2016	-31.03	1.2016	-Vacany	offic	e basic	rent	470700		RE A	locrued	Vacan	cy Rec	t Expe	inse 1	103		RO 00
	2	1	16.000,00-	EUR						+01.	01.2016	-31.03	1.2016	-Vacany	offic	e basic	rent	841700		RE A	ocrued	Vacan	cy Res	t Reve	nue 1	103		RO 00
	3	1	16.000,00	EUR						·01.	02.2016	-29.03	2.2016	-Vacany	offic	e basic	rent	470700		RE 2	corved	Vacan	cy Ren	t Expe	inse 1	103		RO 00
	4	1	16.000,00-	EUR						.01.	02.2016	-29.03	2.2016	-Vacany	offic	e basic	rent	841700		RE 3	corved	Vacan	cy Res	t Reve	tope 1	103		RO 00
	5	1	16.000,00	EUR.						·01.	03.2016	-31.03	3.2016	-Vacany	offic	e basic	rent,	470700		RE J	ocrued	Vacan	cy Res	t Expe	inse 1	103		RD 00
	6	3	16.000,00-	EUR						.01.	03.2016	-31.03	3.2016	-Vacany	offic	e basic	rent	841700		RE 2	corued	Vacan	cy Res	t Reve	nue 1	103		RD 00
	7	1	16.000,00	EUR						·01.	04.2016	-30.04	4.2016	-Vacany	offic	e basic	rent	470700		RE A	ocrued	Vacan	cy Res	t Expe	inse 1	103		RO 00
	8		16.000,00-	EUR						*01.	04.2016	-30.04	4.2016	-Vacany	offic	e basic	rent	841700		REA	ocrued	Vacan	cy Res	t Reve	nue 1	103		RO 00
	9	1	16.000,00	EUR						·01.	05.2016	-31.05	5.2016	-Vacany	offic	e basic	rent	470700		RE 3	corved	Vacan	cy Res	t Expe	ose 1	103		RO 00
	10		16.000.00-	EUR						+01.	05.2016	-31.05	5.2016	-Vacany	offic	e basic	rent	841700		RE 3	corped	Vacan	cy Ren	t Reve	nue 1	103		80 00

Figure 4-23. Periodic posting process: Rental Objects (Vacancies) documents screen

Account Determination

All the master data in REFX (for example, business entity, building, and rental objects) falls under a company code, which is created in FI. Automatic account determination is the process whereby the system finds the relevant GL accounts to be posted to. The system debits the customer account specified in the real estate contract and credits the income account in the case of lease-out contracts. These settings are mandatory, and without them you cannot execute the periodic postings for real estate contracts.

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In REFX, the accounting flow type depends on the condition type. We need to assign the condition type to a flow type, which you then link to reference flow types for three different scenarios:

- Condition amount is increased retroactively
- Condition amount is reduced retroactively
- Object transfer postings

You then assign the flow type and reference flow types to account symbols that in turn are assigned to the GL. The conditions on the real estate contract create cash flow items, which are marked as plan items with a due date. These plan items display the account determination (based on the flow types that are assigned to the condition types), payment terms and parameters, posting parameters, as well as distribution rules.

Account Symbols

Account symbols represent GL accounts, with one account symbol being created for each GL account used. Account symbols are used instead of the actual GL account, because country-specific GL accounts can be assigned to just one account symbol. Examples of account symbols are shown in Figure 4-24.

ccount Symbols		
Account Symbol	Account Symbol Name	
6	No Account Needed	-
100	Debit-Side Rent Revenue	1.
101	Debit-Side Other Revenue	-
102	DebSide Flat-Rate OC Revenue	
106	Debit-Side Rent Revenue OwnUse	
107	Db-Side Clearing AP OC OwnUse	
108	Vacancy: Imputed Rent Expense	
109	Vacancy: Imputed Rent Revenue	
110	Db-Side RentEarnings Reduction	
113	Own Use: Rent Expense	
118	Vacancy: Modernization Expense	
200	SCS: Fuel Opening Amount	
201	SCS: Fuel Addition	
202	SCS: Fuel Removal	
204	SCS: Settlement Vacancy OC	
205	SCS: Revenue	
205 206	SCS: Revenue SCS: Settlement Own Use OC	
	4 > 4 >	

Figure 4-24. Account symbols

Account Symbols to Flow Types

The final step in configuring the account determination is the assignment of account symbols to flow types (Figures 4-25 and 4-26). This ensures the correct GL assignment for each condition based on the posting requirements.

					_		_
	nt Determinat		0	Debit Account S	6	Gradit Account (
1000	ACCI Dele	Flow Type Name Basic rent		D*	-	100	
1000		Basic rent receivable	-	D*	-	100	
1002		Base rnt credit foll-up post.	-	100	F	D*	C
1002		Basic rent vacancy	-	108	F	109	
1003	EM.		-	118	F	109	
1003	rn -	Basic rent vacancy Basic rent own use	-	113	F	105	
			-		F	D*	
1013		Instalment Payments		D*	F	-	
1014		Writeoff of Irrecoverable Debt		700	F	D*	
1023		Vac.basic rent follow-up post.	-	108	F	109	
1023	FM	Vac.basic rent follow-up post.		118	F	109	
1024		Own use basic rent f.u.post.		113	F	106	
1033		Vac. basic rent f.u.cred.post.		109	F	108	
1033	FM	Vac. basic rent f.u.cred.post.	S	109	S	118	
1034		Own use basic rent f.u.cr.post	S	106	S	113	
1040		Basic rent transfer	S	TREV	S	100	
1041		Trsfr. basic rent receivable	S	TREV	S	100	-
1042		Trsfr. foll-up basic rent crd	S	100	s	TREV	-

Figure 4-25. Assignment of account symbols to flow types

Substi	tute Account Symb	ols				
Ch	Account Symbol	Account Symbol Name	Spe	G/L account	Short Text	AtAltFiscY
INT	6	No Account Needed				5
INT	100	Debit-Side Rent Revenue		841000	Rental rev. 3rd pty	
INT	101	Debit-Side Other Revenue		841050	Other rental rev.	
INT	102	DebSide Flat-Rate OC Revenue		841070	Rev.flat rate o.cost	
INT	106	Debit-Side Rent Revenue OwnUse		841080	Rental rev. own use	
INT	107	Db-Side Clearing AP OC OwnUse		841099	RE Allocate prepymnt	
INT	108	Vacancy: Imputed Rent Expense		470700	Accrued vacancy rent	
INT	109	Vacancy: Imputed Rent Revenue		841700	Accd vac.rent rev.	
INT	110	Db-Side RentEarnings Reduction		888900	Rntl sales deduct.	
INT	113	Own Use: Rent Expense		470000	Occupancy costs	
INT	118	Vacancy: Modernization Expense		451000	Building maintenance	
INT	204	SCS: Settlement Vacancy OC		470520	RE Rent unit settl.	
INT	205	SCS: Revenue		841050	Other rental rev.	
INT	206	SCS: Settlement Own Use OC		470580	Settl.own use op.cst	
INT	207	SCS: Revenue Own Use OC		841580	Rev.own use OC sett.	
INT	208	SCS:Writeoff AP OC Own/Vacancy		470590	Write-off AP op.cost	
INT	209	SCS: Clearing AP Vacancy OC		470750	Clg vcy op.cst adv.p	

Figure 4-26. Replace account symbol with GL accounts

One-time Posting

This section will look at the one-time posting process.

Menu Path

SAP Easy Access Menu ➤ Accounting ➤ Flexible Real Estate Management Accounting ➤ Single Documents ➤ Posting Activities ➤ Post Using Posting Activity

Transaction Code

RERAOP

Procedure

Follow these steps to carry out a one-time posting:

1. Start the transaction using either the menu path or the transaction code (Figure 4-27)

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One-Time Posting				
Reset to Default				
CoCd/Mandate 0001	PostingAct	ivity 🖸	í	
Det CoCd Doc. Position AccTy D/C Vendor Customer G/L Accou	Int Amount	Tax Amount	Crcy F	ту
Details Pmnt/Dunn.Data Additional Data				

Figure 4-27. One-Time Posting screen

2. Press F4 to get the list of posting activities from the drop-down menu (Figure 4-28)

C Restrict	Value Range (1) 12 Entries for	und					×
Restr	ictions						
			23				
	h 👪 😹 🚳 📮 .						
Post.	Posting Act. Descr.	Gro	Group Descrip	Actv.	Stand.Co	Manag.Co	CondoCo
CNC010	Receivable RO for Contract	0010	On Debit Side	v	v	v	V
CNC020	Receivable Distrib. to Object	0010	On Debit Side	V	v	v	✓
CNC040	Vendor Invoice for Tenant	0030	On Credit Side	✓	✓	\checkmark	✓

Figure 4-28. Posting activity list

- **3.** Double-click on the "Receivable RO for Contract" activity.

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Field Name	Description	Value
Contract	Description of the contract	4
Document Date	Description of the document date	20/06/2016
Amount	Amount to be received	8000

One-Tin	ne Po	stir	ng: K	Rec	eiva	ble RO	for C	Contrac	t				
Reset to De	fault á	6	0.01 00										
Basic Data													
CoCd/Mandate	C	0001	Pun	a Mu	ltination	al Retail		Posting	Activity	CNCO	10	Receivab	le RO for Contract
Contract	4	4			Lea	se out of de	epartmen	Custom	erPartner	OAF-	-CU-0	4 Samura	i Fireworks LTD
Document Date	2	20.0	6.2016	5				Referen	ice				
Amount	٤	3.00	0,00			EUR		House I	Bank/Acct		1		
Tax Amount	1	1.10	3,45					Tax Ty	e/Group	MWST	1	FULL	
Doc. Header To	kt F	Rent F	Receival	ble									
Doc.Head.Da	ata												
3 27			1										
Det CoCode	Doc. 1	Item	AccTy	D/C	Vend	Customer	G/L Acc	Amount	Tax Amount	Crcy	FTyp	Object ID	
• 0001	1	1	D	S		34		8.000,0	1.103,45	EUR	1000	REC 0001/4	
0001		2	S	н			841000	6.896,5	1.103,45	EUR	1000	RO 0001/1/1	

Figure 4-29. One-Time Posting: Receivable RO for Contract screen

5. Clicking on will post the entry. Click on the document to get list of documents in accounting (Figure 4-30).

A Bef. Tran. Reference Key Log.System Tran Deer Resderfent Cold Doc. Date Parag Date Translibet Teat Period Type Reference Documentilio Cancelidik Test 56 Amount Cruy Bline Date Bunk Tx Tax Jur. Text Cold Doc. Date Parag Date Translibet Text Period Type Reference Documentilio Cancelidik Cold Doc. Date Bunk Tx Tax Jur. Text Cold Doc. Date 0/L Account/Customer/Vendor PTyp Ref. Date Object ID Cite Cold Doc. Date Bunk Tx Tax Jur. Text Cold Doc. Date 0/L Account/Customer/Vendor PTyp Ref. Date Object ID Cite Cold Doc. Date Date Date Date Date Date Date Date		1. 71	-	_																							
1 8.000,00 ECB 01.07.2014 A1 Debitor fallig: 01.07.2014 140000 00000000458mursi Fireworks ID 1000 2 6.884,55-ECB A1 Sachansto im Haben 641000 RE Revenue from Third-Party Teage Rest 1000 RO 0001/1/1 3 1.100,45-ECB A1 Sachansto im Haben 641000 RE Revenue from Third-Party Teage Rest 1000 RO 0001/1/1															rText	Co	Cd Doc					pe Red					
2 4.984,55- EDB A1 Sechasto in Saben 841000 RE Revenue from Third-Party Despe Rett 1000 RO 0001/1/1 3 1.103,45- EDB A1 173000 Output tax Decuments in Accounting Documents in Accounting Doc. Number Object type text Ld 1000000012 Control occument Id	00 32	LACI										10												16000	00001		
3 1.103, 45- ETR AI 17000 Output tax		2					91.9	7.29	24								7.2014		0						RO 000	1/1/1	
Documents in Accounting Doc. Number Object type text Id 1600000001 Accounting document 010000001		3	1.	103,4	5-1	ECR.				3	1			-				17500			 	 					
															Doc. Nur 1600000 0100000	mber () 0001 () 0101 ()	Object (Account Controlia	type tex ting doci ing Docu	t ument								

Figure 4-30. One-Time Posting: Receivable RO for Contract screen and List of Documents in Accounting popup

6. Double-click on accounting document number 1600000001 (Figure 4-31).

V 10 12 4 1	Taxes 00000	lay Currency 🖽 Ge	neral Leoger View				
Data Entry View							
Document Number	1400000001	Company Code	0001	Fiscal Ye	ar	-	2016
Document Date	20.06.2016	Posting Date	01.07.2016	Period		1	7
Reference	0000009201688	Cross-Comp.No.					
Currency	EUR	Texts exist	0	Ledger (Group	1	
		<u>*.</u> Dø.	à .ell. Da				
C. Dm PK S Ac				Amount	Curr.	Tx	Trs
00_ 1 01 34	Samura	ai Fireworks LTD		1.000,00	EUR	٨	
		see Bud abo		.896,55-	0.0	A	
2 50 84	1000 Rental	rev. 3rd pty		1090,05	evn	~	

Figure 4-31. Display Document: Data Entry View screen

Accrual/Deferral Postings

An accrual of an expense refers to the reporting of an expense and the related liability in the period in which it occurs, and that period is prior to the period in which the payment is made. An example of an accrual for an expense is when the electricity consumed in December, but the payment will not be made until January.

A deferral of an expense refers to a payment that was made in one period, but will be reported as an expense in a later period. An example is the payment in December for the six-month insurance premium that will be reported as an expense in the months of January through June.

An accrual of revenues refers to the reporting of revenues and the related receivables in the period in which they are earned, and that period is prior to the period of the cash receipt. An example of the accrual of revenues is the interest earned in December on an investment in fixed deposit, but the interest will not be received until January.

The system can calculate accruals and deferrals to the day or month. The system differentiates between accruals and deferrals, and Accrual Engine is used for posting accruals and deferrals in REFX. Standard settings make it so that data is transferred from REFX to Accrual Engine, and at the same time accrual postings are made.

Settings for Accrual/Deferrals

Copy the settings for the REFX application component that are provided by SAP in the standard system, and then modify your enterprise structure (company codes, accounting principles, and so on) as required. Change your settings in the following IMG activities:

1. Create accrual types for the REFX component by clicking Define Accrual Types and filling in the Applic. Component field (Figure 4-32), which takes you to a screen where you (Figure 4-33).

Display I	MG					
영 👪 🖻	Existin	ng BC Sets	& BC Sets for Activity	Activated BC S	ets for Activity	🚹 Rele
Structure						
	•	Taxes				
1	•	Dunning	,			
11	•	Paymen	ts			
	•	Incomin	g Payments Control			
	•	Enhance	ements			
,			🖻 Determine Work Are	a: Entry		×
•	_	Accrual/Def	- 11 H			Close
	• 🛃		Field Name		Work Area	ciose
	•	Accrual	Applic. Component		RE	
	•	Basi				
		• 🛃 🕒				
		•				
		· 📑 🤆		Further select cond.	Append	X
		· 🛃 (
		-	Accrual Types			
		· 🛃 🤇	Define Accrual Types			
		•	Derived Accrual Types			

Figure 4-32. Determine Work Area: Entry screen

Change	liew "Def	ine Accru	al Type":	Overvie	w	
💖 New Ent	ries 🐚 🔂 t	n 🖪 🖪 🛛	1			
Component R						
Accrl Type	AccrPs	Opening E	Period Pos	Closing En	Derived	Name 🛄
ANCOCN	Only Peri-		V	✓		Accrued Costs: Cc *
ANCORO	Only Pe 🔻	✓	✓	✓		Accrued Costs: Re
ANRVCN	Only Pe 🔻	✓	✓	✓		Accrued Revenue
ANRVRO	Only Pe. 🕶	<	<	✓		Accrued Revenue
TRCOCN	A11 -	✓	✓	<		Transitive Costs: C
TRCORO	A11 💌	✓	<	✓		Transitive Costs: F
TRRVCN	A11 💌	<	✓	✓		Transitive Revenu
TRRVRO	A11 -	v	✓	✓		Transitive Revenu

Figure 4-33. Define accrual types

2. You need to enter an accounting principle for the REFX component in Define Customer Settings for Components (Figure 4-34 and Figure 4-35)

Change View "Accounting Pn.Back (F3)": Overview	
🌮 New Entries 🐚 🔂 🔊 🕃 🖪	
Accounting Principles	
Ac Name/Description of Accounting Principle	
GAAP Generally Accepted Accounting Principles	^
IAS International Accounting Standards	-

Figure 4-34. Define customer settings for components

Change V	iew "Possible Combin	ations of Company	Code & Accounting Princi
💖 New Entri	es 🗈 🕞 🖒 🗟 🖪 🖪		
Component RE Possible Comb	nations of Company Code & Accor	unting Principle	
Company	Accounting Principle	[3
0001	IAS		•

Figure 4-35. Assign accounting principle to company code

3. Enter a standard accrual method in Define Standard Settings for Accrual Calculation (Figure 4-36)

Ch	ange View	Accrual	Type Sett	tings": Overview
"P	New Entries	🖻 😼 🗠 🛃		
Compo	nent RE			
6				
Accr	ual Type Settin	gs		
Ac.	Accrl Type	Def. method	Zero V	
IAS	ANCOCN	LINEAR_PER		A
IAS	ANCORO	LINEAR_PER		-
IAS	ANRVCN	LINEAR_PER		#
IAS	ANRVRO	LINEAR_PER		
IAS	TRCOCN	LINEAR_PER		
IAS	TRCORO	LINEAR_PER		
IAS	TRRVCN	LINEAR_PER		
IAS	TRRVRO	LINEAR_PER		

Figure 4-36. Define standard settings for accrual calculation

4. To customize REFX, assign the necessary accrual types from the Accrual Engine to the flow types for which accruals/deferrals are posted. Choose the following path:

SAP Customizing Implementation Guide \succ Flexible Real Estate Management (Enterprise Extension) \succ Conditions and Flows \succ Flow Types \succ Define Flow Types (Figure 4-37).

Net	w Entries 📫 🔂 🕼 🖪	2				
ow Ty	ypes					
FTyp	Flow Type Name	D/C		AcrType(Ac	AcrTyp(Def	FTyp
1000	Basic rent	Debit Posting	-	ANRVCN	TRRVCN	
1001	Basic rent receivable	Debit Posting	-	ANRVCN	TRRVCN	
1002 8	Basc rnt credit follup post.	Credit Posting	•	ANRVCN	TRRVCN	
1003 8	Basic rent vacancy	Debit Posting	•			
1004 8	Basic rent own use	Debit Posting	•	ANRVCN	TRRVCN	
1013]	Instaliment Payments	Debit Posting	-			
1014	Writeoff of Irrecoverable Debt	Credit Posting	-			
1023	Vac.basic rent follow-up post.	Debit Posting	-			
1024 (Own use basic rent f.u.post.	Debit Posting	-	ANRVCN	TRRVCN	
1033	Vac. basic rent f.u.cred.post.	Credit Posting	•			
1034 (Own use basic rent f.u.cr.post	Credit Posting	•	ANRVCN	TRRVCN	
1040 8	Basic rent transfer	Credit Posting	-	ANRVRO	TRRVRO	
1041	Trsfr. basic rent receivable	Credit Posting	•	ANRVRO	TRRVRO	
1042	Trsfr. foll-up basic rent crd	Debit Posting	-	ANRVRO	TRRVRO	
1044	Transfer basic rent own use	Credit Posting	-	ANRVRO	TRRVRO	
1064	Trsf. foll-up basic rent own	Credit Posting	•	ANRVRO	TRRVRO	
1074 8	Basic rent own f.u. credit	Debit Posting	•	ANRVRO	TRRVRO	

Figure 4-37. Define flow types

5. We create the accrual types for accruals and deferrals for the REFX component as follows:

SAP Customizing Implementation Guide > Flexible Real Estate Management (Enterprise Extension) > Accounting > Accrual/Deferral > Accrual/Deferral > Accrual/Deferral Posting > Account Determination > Simple Account Determination > Define Set of Rules (Figure 4-38).

Acci	rual	Engine - Acco	unt Determination: Change Strategy
1	3 🗅	1 🤬 🗠 🚺	록 📮
Accrual I	Engine	- Account Determina	ation
Steps	in Log	ical Order	
St	Ма	Step Type	Description
1		Derivation rule	Document Type
2		Derivation rule	Accounts

Figure 4-38. Define set of rules

Here we entered the document type for each accrual type and need to enter the account for each given accrual type.

Conditions in Foreign Currency

So far we have seen conditions in local currency; however, let's see the activation of conditions in a foreign currency.

Activate Conditions in Foreign Currency in Company Code

The first step is to define the default currency for each company code. If the company is to allow a condition currency that is different from the company code currency, then the "Diff Condition Currency" option must be selected.

Define Translation Date Shift Rule

The translation date shift rule defines how the system determines a date on the basis of a starting date that was entered. You have to define translation date shift rules if the following applies: You use conditions in a foreign currency, and you do not want the system to determine a fixed date for the currency translation. Instead, the date entered should only serve as a starting date for determining the translation date.

FASB 13

FASB 13 specifies that irregular rent payments and lease incentives be recorded on a straight-line basis. Based on US GAAP, the company needs to record the following entries into the general ledger:

Straight-Line Requirements

SAP has provided a FAS13 sample BAdI. This BAdI may be implemented in order to automate the straightlining of entries associated with irregular rent payments and lease incentives. At the time of Go live , FAS13 functional specification document containing detailed requirements and developments may be prepared. Existing leases may be excluded from the FAS13 calculation, because the values being amortized may not match the system-calculated values due to the timing of the conditions and recognition of all one-time payments that are FAS13 relevant. In order to exclude leases from this calculation, a custom table with company code, contract number, and an exclusion indicator can be created listing all existing leases at the time of "go-live."

TI Allowance and TI Reimbursement

Tenant improvement (TI) allowances are incentives provided by landlords with which tenants can modify a space to meet their requirements. FASB requires the incentive be offset against rent over the course of the lease term. Additionally, because the lease term is generally longer than one year, the long-term portion of the TI allowance must be reclassified into the long-term accrual account. Each month, the current portion of the long-term accrual should be reclassified to the short-term accrual account, as the accrual is amortized. Because a TI allowance requires that a receivable be set up on a lease-in (vendor) contract, a special GL indicator will need to be configured to appropriately classify the receivable and prohibit the receivable from being offset against rent expenses.

Key Aspects

Key aspects to be considered in RE accounting are as follows:

- When SAP Real Estate is activated, real estate-specific fields are made available for use within the various finance modules. To use these fields, the field status group should be changed to allow an "Optional" entry. The real estate cost object may then be used just like any other SAP cost object.
- Generally, vendor master records will be created by the accounts payable department, and the corresponding landlord with vendor account is created automatically. This automation should only create business partners with the role "Landlord w/ Vendor Account" if the vendor is specifically for real estate. However, all invoices related to real estate should be posted directly to a real estate object. The real estate object will eventually settle the expenses with the real estate cost center. It is critical that all costs are posted to the real estate object to enable full cost allocation to all tenants.
- With the activation of real estate accounting, the real estate cost objects become available for use within FI postings, but the field status for group "Real Estate Management" must be marked as an optional entry. The following field status groups should be modified to allow postings to real estate object.
- You can post conditions for withholding tax using RE posting processes. You can use this function, for example, in the United States to deal with sales tax on lease payments. When a contract is created, the tax indicator is assigned to the posting parameter. During periodic processing, the tax payment is reduced from or added to the payment amount based on the tax configuration. The tax amount is paid directly to the appropriate tax authorities.
- A consistent issue most organizations encounter is the lack of ability to link fixed assets to a building or property. To alleviate this issue, the real estate key (IM Key) will be displayed on the asset master record for assignment to a real estate object. Additionally, users may assign fixed assets to a building or property object through the architectural view.
- The "Define Screen Layout for Asset Master Data" asset classes must be identified who must have the real estate indicator.
- In order to receive depreciation postings to a real estate object, the account assignment object's IM Key must be activated for both expense and balance sheet postings. The account assignment is then assigned to each company code and depreciation area that has real estate assets.

Service Tax

In India, companies leasing buildings or properties for commercial purposes are required to pay service tax to the corresponding federal tax office. Real estate contracts are considered to be contracts for services and not for goods, and therefore, from a business point of view, in India no value-added tax (VAT) needs to be maintained in the contracts, only service tax. From a technical point of view, the service tax is handled like VAT. It is levied on the services rendered and is applied on the total price of the service. For lease-out contracts, it is a deferred tax that is levied at the time of the incoming payment.

In cases of commercial contracts, the owner of the real estate object reports and pays the service tax to the corresponding tax authorities. The geographical location of the real estate object determines which local tax authority the service tax should be reported to. The owner of the real estate object enters the tax office information in the real estate object master data. Residential contracts are not subject to service tax.

The business place represents the organizational unit responsible for collecting service tax. You maintain business places in the following master data of Flexible Real Estate Management (REFX):

- Business entities (Sites)
- Buildings
- Properties (Land)

You fill in the required customization settings. You might maintain business entities, buildings, properties, and rental objects. You assign the objects to your commercial contract and create conditions for your contract with tax types and tax groups that correspond to the service tax. Each month, you make a periodic posting of your commercial contract. Whenever the tenant pays the rent for the real estate object, you post the incoming (partial) payments with the Incoming Payments program and account for the service tax in the GL tax accounts, and then you make a payment to the tax authorities.

Summary

We have seen how accounting is managed in SAP REFX, including different types of postings, how to do a reversal, and how REFX updates accounting data in RE object. Periodic postings create accounting, controlling, and RE documents that are updated within real estate contracts. We have also discussed some of the key aspects of real estate contracts from an accounting perspective.

CHAPTER 5

Business Integration

This chapter will explain how SAP REFX integrates with the SAP Asset Accounting (AA), SAP Plant and Maintenance (PM), SAP Project Systems (PS), SAP Customer Relationship Management (CRM), and SAP Document Management Systems (DMS) modules. The chapter is divided into the following topics:

- Integration with Asset Accounting
- Integration with PM, PS, and CRM
- Integration with DMS
- Integration of CAD and GIS

The SAP Flexible Real Estate Management solution is used by organizations in various sectors, such as retail, technology, banking, heavy industry, airports, oil and energy, utility energy, and many others. All of these industries have multiple production sites, gasoline stations, warehouses, and ports located in owned or rented property. SAP REFX helps these companies to manage the real estate assets, such as for property maintenance, and to assess the profitability of individual branches and outlets. SAP REFX has strong integration capabilities and can be used by organizations with an SAP backend and also by companies operating other ERP systems. It naturally integrates with other SAP modules, industry solutions, and SAP business objects. It is capable of integrating with third-party solutions and enables operational efficiency and attainment of business objectives for different sectors using the solution.

REFX provides seamless integration with other SAP modules that cover things like Fixed Assets, Finance and Controlling, Sales and Distribution, Project Management, Investment Management, Plant Maintenance, and HR. The ability to integrate with the Microsoft Office software package helps the solution's users to communicate with vendors, customers, and business partners who are associated with a property. In such a case, it is possible to use SAP REFX for lease agreements, to send invoices to tenants, and to order additional maintenance work. You can generate dynamic reports, which can then be uploaded to Excel.

Integration with Asset Accounting

The Asset Accounting (FI-AA) module is used for managing fixed assets and providing detailed information on transactions regarding fixed assets. The R/3 Asset Accounting module transfers data directly to and from other SAP modules via its integration capabilities. When you purchase an asset, you can post an entry from the Materials Management (MM) module directly to FI-AA, or when it is constructed in house, all the costs—like material, labor, and services—can be posted to a "Work in progress" account within the work breakdown structure (WBS), which can then be settled to an asset account.

The link between real estate objects and an asset is established by entering details of the real estate objects in the asset master under the time-dependent tab, and it is used as an account assignment object. Correspondingly, we need to assign the relevant asset number in the Assignment tab of the Rental Objects screen. A real estate object can be used as a depreciation account assignment after following certain steps.

We need to release the real estate object from the RE master data dialog for account assignment and then manually maintain the real estate account assignment in the Time-dependent tab of the asset master record. The use of the real estate object as an account assignment for depreciation is only possible if the corresponding settings are made in the Customization screen of the Asset Accounting module.

Customization in Asset Accounting

The following are the activities to be carried out for the integration of Asset Accounting with REFX.

Master Data Screen Layout

We have to change the configuration settings for Asset Accounting in the Master Data screen, defining a screen layout rule. In the screen layout rule, under time-dependant data section, we have to select the "field group rule" option for a real estate object.

Integration with GL

Now, we have to define the field status variant and select "Real Estate Management" under that.

Additional Account Assignment Objects

In this step we will handle settings for additional account assignment objects—settings like cost center, investment order, and real estate object. We need to activate additional account assignment objects (IMKEY) so that transactions can be posted to the general ledger. Real estate objects like business entity, land, building, and rental object can be set as account assignment objects.

The standard reports are available in REFX for object assignments in Buildings/Rental Objects (ROs), and depreciation values can be checked in asset reports.

Let us take, for example, a building structure at a mall that is partially used for internal purposes by a company while the remaining space is let out to different tenants, such as shops, bank, commercial establishments. etc. In SAP FI-AA, you capitalize the building as one structure, and depreciation and maintenance costs are captured for the building as a whole. This is as per statutory and accounting requirements of the respective country. You do not capitalize each unit of the building separately in Asset Accounting, as shown in the following screenshots (Figure 5-1). The asset master record for the building is created in FI-AA, and under the Time-dependent tab you can see that the real estate object is assigned (Figure 5-2).



Figure 5-1. Asset master record's Initial screen

sset	10000	0	building		
ass	1100		Buildings	Company Code	0001
10000	al music				
Gene	ral / Time-de	pendent Allo	cations Origin Lea	sing Deprec. Areas	
Interval	from 01.01.19	00 to 31.12.9999)		
Business	Area	0001	Business area 000)1	
Cost Cer	nter				
Maintena	ance order				
Location					
Room		BU 0001/1/2	2 Dil bidg 2		

Figure 5-2. Asset master record: Time-dependent tab

However, all of the sub-units in the one building are captured as separate real estate objects by SAP REFX. You need to enter these objects in the asset's master screen in FI-AA and enter the asset number generated in FI-AA in the Assignments tab of the rental object (Figure 5-3 and Figure 5-4). You may also enter the business entity in the asset's master record.

Building		
	6 20	🖷 Edit Object
Building		
Company Code	0001	Puna Multinational Retail
Business Entity	1	Mall
Building	2	Mall bldg 2

Figure 5-3. Rental object: Initial screen

	0000053200
ulding 0001/1/2	Ser Mail bidg 2
General Data Dates Additiona	I Data Factures/Fittings Values Infrastructure Measurements Option Rate Methods Posting Parameters Partners Assignment
	VA ()
So Object Hierarchy	Name From To
 Asset Assignment 	
 • • • • • • • • • • • • • • • • • • •	building
Functional Location Assignment	¢
Carlonal Location Assignmen	3
Generational Location Assignment Asset Details	
£	
Asset Details	3
Asset Details Company Code 0001	CLeading Asset

Figure 5-4. Rental object: Assignments tab

Integration with PM

SAP PM module provides a comprehensive solution for all maintenance activities performed within the organization. Let us take an example of an airport building. Various real estate objects that are part of the building need maintenance. You may have a plant in the same structure, and it may be necessary to ensure regular and preventive maintenance tasks. Some examples of maintenance are cleaning of premises, repairing various systems, preventative maintenance of elevators and air conditioning systems, and many other such services. Airport authorities can use the Plant Maintenance module to manage their real estate objects. We can use the Customer Services module for real estate objects used by tenants, customers, or other companies within group. The master data objects of both components are same.

Functional locations in the PM and CS components describe the fixed, unchangeable parts of real estate, such as maintenance groups or rooms. Integration with the SAP REFX component happens by assigning functional locations of the PM and CS components to the real estate objects in the usage or architectural views.

The architectural view controls the PM integration with REFX. Functional locations can be maintained at the plant, building, and site levels. Functional locations can be assigned to real estate master data either manually or automatically. The user can create notifications or work orders from the architectural hierarchy for these functional locations, and all notifications and orders that have been linked to a building, property, or site will be displayed through the architectural hierarchy. In this configuration step, the architectural object is defined for those transactions for which object will be used to create notifications and work orders. Notifications may be created at the site, building, and property levels.

You may use functionality for the automatic creation of functional locations from the architectural hierarchy. However, there has to be a business requirement to drive functional locations to lower levels, such as part of building or room.

Integration with PS

SAP PS is an integrated project management tool used for planning, managing, and controlling projects; it supports the entire project lifecycle from planning to invoicing. Project System is used for new project and development work like construction projects that have a certain time cycle for completion. Let us take the previous example of an airport where we have to construct a runway with other facilities around it. You may have to start with design, drawing, consultancy expenses, and so on. You have to procure materials and incur labor costs, and after completion of construction, you must transfer all costs to create and capitalize assets. You need to capture these costs until completion in a separate account assignment object—or work breakdown structure (WBS)—and settle it with the asset master data created in FI-AA, where the cost value is posted and then linked with a real estate object.

You can assign a complete project (project definition with several WBS elements) or parts of a project (one or more WBS elements). In the application, you maintain the assignment in the Assignments tab of the relevant data object. However, you must have already enabled the assignment in Customizing before you can do this.

The PS component does not have an attribute that you can use to maintain the assignment. You may use other ways, like configuring the project number in such a way that part of the number contains the relevant information to represent the assignment.

Integration with CRM

The integration point between CRM and REFX is the real estate master data. SAP CRM integration is available to cater the service/complaint management needs of SAP REFX. We can define the product or service that is the subject of the complaint by entering a reference object for an item. You can enter a reference to products, installed base components, or objects (e.g., rental objects, buildings, land, business entities). Let us take the same example of an airport where space is allotted to a customer for duty-free shops, cafeteria, and so on. Any complaint about maintenance or other issues related to space allotted or a specific service request is sent with a reference to the rental object that is the property created in REFX. Besides this, we can also automatically create functional locations upon REFX object creation, which can be updated as an installed base in SAP CRM. We can use this functionality of SAP CRM while having objects linked to the SAP REFX object.

SAP provides a business role called Real Estate Professional (/CRMRE/PRO) that provides a user interface that enables you to manage campaigns, leads, and opportunities for your real estate.

SAP also provides a business adapter object called Real Estate Rental Object (/CRMRE/ROBJ) and a customizing adapter object called Rental Object Customizing Table (/CRMRE/CUST_RO) to enable replication of data for real estate objects like entity, RO, land, and building from SAP ECC. These real estate objects exist in SAP CRM as objects, but replication of the real estate objects is one-way only, and we cannot do it reverse.

Campaign Management for Real Estate

We can create campaign types using the Real Estate Campaign (CCM_RCPG) UI scenario. When we create a campaign using one of these campaign types, a new assignment block of rental objects is made available. In this assignment block, you can enter the rental objects that you want to market. Let us take the example of the airport where we have vacant places to be given for commercial purposes; we can create a campaign for letting them out and can also perform availability checks for the same places.

Lead Management for Real Estate

A new transaction type called Real Estate Lead (LDRE) provided by SAP helps in lead management for real estate. When we create a lead using this transaction type, a new assignment block of rental objects and a new date type of "Expected Contract Period" are made available. We can enter the rental objects that are available for lease-out in the rental objects assignment block. The expected contract period date type enables system checks to verify the occupancy of a rental object during the specified period.

Opportunity Management for Real Estate

A new transaction type called Real Estate Opportunity (OPRE) helps in opportunity management for real estate. When you create an opportunity using this transaction type, a new assignment block of rental objects and a new date type of "Expected Contract Period" are made available. We can enter the rental objects that we want to rent in the rental objects assignment block. The expected contract period date type enables system checks to verify the occupancy of a rental object during the specified period.

Integration with DMS

Document Management System in SAP REFX enables you to store the documents involved in the rental management process (such as agreements, legal documents, land records, tenant ID proofs, any legal documents, master data summaries, letters, contract forms, presentations, structural drawings, or photos of buildings/properties, etc.) The SAP REFX system is data intensive and is used for maintaining complex land records. Let us take for an example an oil and gas company that has a refinery as its production unit and retail outlets spread across regions distributing gas to vehicle owners. These retail outlets, or gas pumps, are constructed on either purchased land or leased land. Each piece of land has different records, agreements, designs, and so forth that need to be referred to for lease payment or at the time of legal disputes. DMS is used by organizations to maintain complete data against real estate objects—which is land in this case. It improves business value greatly, as companies do not have complete visibility as to area of land or lease terms disputes, if any, and integration of real estate with DMS helps to address these painful areas. We can select the DMS of our choice; SAP DMS is also available along with third-party DMS. We can also manage the SAP REFX workflow through DMS. SAP DMS, when used with REFX, will require the creation of a dedicated document type, which then will be used for uploading the soft copies of documents(s).

We can follow this path for configuring DMS for SAP REFX:

SPRO ➤ Flexible Real Estate Management (REFX) ➤ General Settings for Master Data and Contract ➤ Document Management ➤ Document Management System.

There is also an integration process for SAP REFX and DMS; SAP note 860779 is available to explain that.

Integration with CAD/GIS

Organizations have been striving to optimize their processes and improve efficiency by using SAP. GIS is used for location-based information management, and SAP is used for other business requirements at an overarching level. Both systems have strong points, and integrating both adds tremendous value to a business. However, in spite of many attempts, no direct integration has been accomplished due to the complexity involved in handling both systems. Integration of both is a win-win situation, as SAP can leverage the spatial analysis capabilities of GIS and GIS can use the integrated business functionalities of SAP. Most business data have a geographic or spatial component that can be geo-referenced on a GIS map to visualize, understand, and interpret data, which is not possible through a spreadsheet or table. By visualizing relationships, connections, and patterns in business data, GIS helps in making appropriate decisions and increasing efficiency. The strength of SAP is its responsiveness to market changes and customer requirements, which could be further enhanced with the integration of GIS applications into business workflows. Development in digital technology and service-oriented architecture concepts made it possible to embed GIS applications with different systems such as SCADA and SAP.

Let us take, for example, the utility and energy sector, where geographical mapping is a key element for having an efficient decision-making processes for site selection, routing, resource allocation, planning, and asset management. GIS gives businesses the geographic advantage to become more responsive to daily business needs, such as land management, site selection, facility maintenance, emergency response, construction activities, fleet management and tracking, equipment mobilization, pipelines routing, and many others.

Integrating SAP REFX with CAD/GIS systems enables a visual interface for the architectural view. Master data of a land register or business entity or building can be attached real estate object to view the (CAD) design or (GIS) map of the property. We can make this assignment from either the usage view or the architectural view. However, the system always copies the measurements from the architectural object to the usage object.

The unique ability of GIS to model complex spatial relationships is challenging in hierarchical SAP structures, such as networks. GIS is also well suited to creating accurate SAP master data for attributes such as distance or area for use in such activities. We need to check that for every SAP business object where a graphic representation is desired, there is a corresponding feature in the GIS database. For example, a gas company may wish to capture information about a gas connection provided with a building. Similarly, details of water and electric connections can be located within a specific building, which is made possible by functionality available in GIS. The linking of GIS features to SAP business object with a corresponding GIS feature.

SAP REFX and GIS are integrated and used in some of the airports where the entire land and real estate space is mapped in GIS to create a visual interface and be integrated with real estate objects. This helps to keep close control over property and also to ensure effective utilization of the property.

Port trust authorities are also using these interfaces to control port trust land, which is large in size and scattered; ensuring a close watch on such land is a challenge. These interfaces are further integrated with DMS, where all the land records, drawings, designs, and agreements are stored along with RE objects, and one can quickly get complete information about it.

Summary

SAP Flexible Real Estate Management provides seamless integration capabilities to connect with other SAP modules—and non-SAP systems also—giving customers the best use of its functionality. SAP REFX combined with GIS/CAD is big value add for many organizations with large real estate assets. They are able to control assets effectively and ensure complete control of them.

CHAPTER 6

Service Charge Settlements

In this chapter we will explain the service charge settlement process and factors influencing it, as well as describe the posting procedures. In this chapter, we will discuss the following:

- Infrastructure of service charge settlements
- Pre-requisites to configuring a service charge settlement
- Configurations for service charge settlements in REFX
- Define RE-specific account properties

Let us understand this using a business scenario.

Let us take an example of a mall where shops are let out on a rental basis to various units, like a fast food restaurant, fashion stores, other retail shops, bank ATMS, offices, and so on, and common facilities are provided and paid for by the lessor. Costs incurred for the maintenance of such facilities are paid by the landlord for the mall as a whole and need to be recovered from all tenants based on usage. This requires a system that will allocate costs among various tenants every month based on agreed upon parameters and debit them for settlement. SAP Flexible Real Estate Management provides fully automated, accurate, and transparent processes to ensure efficient service charge settlement processing. SAP REFX can help manage services, maintenance, and repairs for a particular organization's properties and also for the organization's customers' properties. In SAP all the service charges are generally settled through settlement units, which have to be defined for each service charge that needs to be settled. A new settlement unit has to be created for each type of service charge that is defined in the service charge key and that participates in the settlement.

Another example is an airport where retail space has been let out to various units like duty-free shops, bank ATMs, restaurants, and spas, and where space is also used for the internal operations of airport, like offices, cargo handling unit's break rooms, and so forth. The airport makes a total water and electricity bill payment for the complete property, and that needs to be recovered from each occupant based on usage. Water and electricity meters will provide usage details, and a service charge will be allocated among the tenants and internal units based on usage. The amount needs to be debited to the tenant and to the respective cost center of the internal unit. Apportionment of service charges needs to be clearly defined, as all costs are not apportionable in simple ways, such as we do for water or power where you have meters to capture consumption. Certain costs are not apportionable and need to have a logical, transparent basis for allocation. Elevator charges paid by the airport authority may not be possible to apportion between tenants who are using it—what is the basis for charging for it?

Service charge keys are created for the types of expenses that occur in real estate properties. Some of them are apportionable and some are not. For example, property taxes and water supply costs are allocated to tenants based on actual meters, but how do we allocate costs for the maintenance of elevators? We cannot keep track of the usage of each tenant. We need to use some rational basis for allocation. The next step will be to apportion the service charges among tenants who are liable to pay for the usage of such services. In REFX, you apportion service charges based on the measurements defined in the rental objects. It can be done in a few ways.

Various parameters based on which apportionment expenses can be made are:

- Apportionment according to fixed values where a fixed amount that will be charged to each tenant is agreed upon by the parties
- Apportionment according to consumption values wherein you capture the number of units consumed by each tenant for electricity usage and charge based on the total units for which the landlord made a bill payment
- Apportionment according to condition types
- Apportionment according to percentage shares where you agree to share a specific percentage of costs between various units
- Equal apportionment where an equal amount is allocated to each tenant
- Apportionment for vacant rental objects where a rental object—say, a shop—is vacant but you need to pay basis electricity charges and other charges and you need to allocate it to a respective unit/cost center

Once costs are apportioned, a service charge settlement is carried out through contracts and invoices. The tenants and service providers are entered into the system as business partners. The contracts are raised with the business partners and are managed by the contract management system in REFX; the invoices are raised and posted, as REFX is integrated with SAP Finance and Controlling (FICO).

Infrastructure of Service Charge Settlements

We need to create the following master data in order to carry out a service charge settlement.

Participation Group

Transaction Code

RESCPG

The participation group (Figure 6-1) is made up of tenants who are required to share common expenses incurred for all. Rental objects are part of this group that participates in the settlement of one or more cost elements. Example: water charges paid by the mall owner need to be recovered from all the shops that are leased out for rent. We have to define the participation group containing these shops, which are created as rental objects in the system. Business entities, buildings, land, and rental objects can be part of a participation group. If a business entity containing rental objects is assigned, rental objects assigned to it are also automatically assigned to the participation group. The participation group indicates whether the rental object participates in the settlement. All rental objects assigned to a participation group participate in the apportionment of costs, provided that this participation group is assigned to a settlement unit. For example, if a building is assigned. We can exclude individual rental objects from a participation group, and also assign individual pooled spaces without including corresponding rental spaces. The apportionment of expenses between the rental objects of a participation group may be done for a defined period. Hence, while creating a participation group, we need to mention its validity period (Figure 6-2). Any expense beyond the validity period will not be allocated to the rental objects within the participation group.

Participation C	Group	
🗢 🔿 &r 🦉 🗋	₽ I 🖻 🗖	🔁 Edit Object
Participation Group		
Company Code	0001	Puna Multinational Retail
BE of Partic.Group	1	Mall
Participation Group	3	shops on 2nd fir

Figure 6-1. Participation Group screen

Participatio	on Group 0001/1/3 Display: General Data
🗢 🤿 🛯 🌮 🗋 🖷 명	4 / 🔊 🔂 🗳 🕼 🗅 🍕 14 🚊 🗉 🚹
- every every training to the second s	001/1/3 Shops on 2nd fir ned Objects Resubmission Supplementary Texts Overviews
Identification	
Company Code	0001 Puna Multinational Retail
BE of Partic.Group	1 Mail
Participation Group	3 shops on 2nd fir
Participation Group	
Part. Group Name	shops on 2nd fir
Authorization Group	
Validity Period	
Valid From	01.01.2015 To 31.12.2016
Status Display	
	CRTE No Default
System Status	
User Status	Status

Figure 6-2. Participation Group Display: General Data

Assign the Objects on the Assigned Objects Tab

Objects form a part of a participation group, and if you assign an object above the level of the rental object (such as building, pooled space, or another participation group) to a participation group, all lower-level objects within that object are automatically assigned as well. You can also exclude lower-level objects from the assignment. For example, say you assigned a building but want to assign one or more rental units from that building to another participation group. To do this, you insert the rental unit in the assignment table and select the Exclude indicator. If you assign a pooled space, all lower-level rental spaces are automatically assigned as well. If you only want to assign the vacant area of the pool, set the PS Only indicator.

Participation group "shops on second floor of mall" is created wherein two shops are selected to share service charge costs (Figure 6-3).

Participation Group 0001/1/3 Display: Assigned Objects						
⇐ ⇒ 🎾 🗅 🔂 🖻 🍰	수 - > 1 🎾 🗅 🔁 😚 🌮 🔕 1 🔂 🥔 1 🖓 🚨 🖉 1 🚠 🚊 💷 1 🚹					
Participation Group 0001/1/3 & shops on 2nd fir						
General Data Assigned Ob	jects Resubmissi	on	Su	pplementa	ary Texts	Overviews
Objects of Particip. Group 0001/1	1/3					
Ty. ObjectType Object ID	Object Description	From	То	PS Only	Exclude	
RO 🗄 Rental Unit 0001/1/1	departmental store					
RO 🗟 Rental Unit 0001/1/2	/1/2 departmental store					

Figure 6-3. Participation Group Display: Assigned Objects

Two rental objects representing two shops of a department store are selected and assigned.

Settlement Unit

Transaction Code

RESCSU

We have to create a settlement unit (SU) before we settle service charges. The settlement unit defines the following:

- The settlement period during which settlement is possible, defined in settlement variants found in Customizing
- The type of service charges, such as water or electricity, by means of service charge keys
- Nature and purpose of the service charge apportionment, such as landlord/tenant apportionment or apportionment to tenants with any remainder assigned to landlord
- The measurement, such as electricity consumption in units or water consumption in cubic feet, using units of measurement defined in Customizing
- Rental objects like business entities, buildings, properties, and rental objects that are part of participation groups

We have to create a new settlement unit (Figure 6-4) for each type of service charge mentioned in the service charge key participating in the settlement. Cost collectors are defined for each settlement period to enable costs to be posted to a settlement unit. The costs of a settlement unit are collected on a cost collector for settlement for each settlement period. When we post to a settlement unit, the system determines the cost collector based on the specified settlement reference date (Figure 6-5).

Settlement Un	IT.	
🗢 🔿 🕼 🖉 🗋	5 <u>2</u>	Edit Object
Settlement Unit		
Company Code	0001	Puna Multinational Retail
BE of SU	1	Mall
Service Charge Key	1400	Elevator
	3	shops

Figure 6-4. Settlement Unit screen

🗧 🔿 🎾 🗋 🔂 🦷	6 4 / M 🛐 🔂 🥔 🖉 🚨 🖉 A 🚊 💷 🖪			
ettlement Unit	0001/1/1400/3			
	ting Parameters Participation Groups Apportionment Rule			
	ang ratabasis ratabasis roops reportionment hate			
Identification				
Company Code	0001 Puna Multinational Retail			
BE of SU	1 Mall			
Service Charge Key 1400 Elevator				
Settlement Unit	3 shops			
	3 shops			
Settlement Unit Settlement Unit	3 shops			
	3 shops shops			
Settlement Unit				
Settlement Unit SU Name	shops			
Settlement Unit SU Name Tenancy law	shops German tenancy law			
Settlement Unit SU Name Tenancy law Authorization Group	shops German tenancy law			
Settlement Unit SU Name Tenancy law Authorization Group Cost Object SUs	shops German tenancy law			
Settlement Unit SU Name Tenancy law Authorization Group Cost Object SUs Data Exchange	shops German tenancy law			

Figure 6-5. Settlement Unit Display: General Data

Click on the Participation Groups tab to assign a participation group (Figure 6-6).

1		Settleme	nt Uni	t 0001/1/1	400/.	3 Di	spi	lay: Pa	rticip	ation
\$	\$	🎾 🗋 🐁	8 6	/v 🗿 i 🔂 🍕		•	T	a 2		I
Settl	emen	t Unit	0001/1	/1400/3			SS .	shops		
	Gene	ral Data 🛛 Po	sting Para	ameters Partic	ipation (Groups	;	Apporti	onment F	Rule
1	<u>a</u>	7 (1) (13)	· [] [1						
	Assig	ned Particip. Gr	oups							
	_	Valid From		PartGrp Name	Activity					
		01.01.2015	3	shops on 2nd fir						
	01.0	.2015 - 0001/	1/3							
	<u> </u>	7 (1) (1)	B 🖽	. 1						
	Obje	ts of Particip.	Group 00	01/1/3						
	Ty.	ObjectType				From	То	PS Only	Exclude	(
		Rental Unit								
	KU (Rental Unit	0001/1/2	2 departmenta	store					

Figure 6-6. Settlement Unit Display: Participation Groups

Click on the Apportionment Rule tab to assign a settlement variant (Figure 6-7).

R		Settleme	nt Unit	t 000	01/1/	1400/	3 Display: A	pport	ionme	nt Rul	e	
4	\$	19 🗅 🔁	86	<i>P</i> 6	1 1 1 1	🥝 🖉	🗅 🍜 ၊ 🖧 🚊	g 💷 (
Sett	Settlement Unit 0001/1/1400/3 🚱 shops											
_	Gen	eral Data Po	sting Para	meters	s Part	ticipation	Groups Appor	tionment	Rule	Option R	ate Methods	Me
1	<u>a</u>		=	1								
	Sett	lement Period		_								
	-	Valid From	SettVar		ement var							
	•	01.01.2015	A001	Yearly	, 01/01 t	to 12/31						
1	01.0	1.2015 : A001	Yearly, 01	/01 to	12/31					-		
_	8	7 (1) (13)		1								
	Distr	ibution										
	Purp	oose of Apport.			App.%	MeasTp	MeasTpName	DefUnit	Vac. %	RL Key	RL key	
	Landlord/Tenant Apportionment 🗎 1			100,00	A200	Res./Use.Space	M2	100,00	ZHEIZ	Zurich Heatin	g	

Figure 6-7. Settlement Unit Display: Apportionment Rule

Settlement Participation

Service charge settlement participation is automatically generated for each real estate contract each time the RE contract is called up, as well as on the date of settlement. In so doing, the system assigns the service charge keys of the settlement units to which the rental object(s) is/are assigned to the conditions of the real estate contract. In the Contract Processing screen, choose the Settlement Participation tab. The rental objects that are assigned to the contract are listed in the Selectable Objects table. When you have assigned the rental objects to a settlement unit, the settlement participation appears in the Settlement Participation tab for each selected rental object with the status Generated. You can change the participation type and the validity period of the generated settlement participation of the rental object (Figure 6-8).

1	Settlement Unit 0001/1/1400/3 Display: Cost Collector							
4	⇐ ⇒ 🌮 🗅 🖥 🖻 ఊ 🎤 🗿 ြ 🤣 🖓 🔒 🦉 品 🚊 💷 🚹							
Settl	emen	it Unit	0001/1/140	00/3	<u>&</u>	shops		
/	Gene	eral Data	Posting Paramet	ers Particip	ation Groups	Appor	tionment Ru	le Optio
	Qs	tatus 😨 Co:	sts 🔒 🗟		· I			
B	Sta	StatusName	StimtStart	StlPrd End	Opened on	Closed	Settled on	Settimt ID
		Released	01.01.2015	31.12.2015	15.04.2016			
		Released	01.01.2016	31.12.2016	15.04.2016			

Figure 6-8. Settlement Unit Display: Cost Collector

Pre-requisites to Configuring Service Charge Settlement

To enable the use of REFX, we need to define a company code and controlling area at the enterprise level and activate the Financial Extension (Application Indicator EA-FIN) within the SAP R/3 Enterprise extension set. Also, activation of the BTE application (RE) is required to ensure business transactions events (BTE) related to other modules. After this, the real estate extension needs to be activated (Figure 6-9).



Figure 6-9. Activate real estate extension

To enable the use of REFX, the following configuration is required to be set at the company-code level (Figure 6-10):

Change View "Company-Code-Dependent Settings": Overview						
9 🕄	New Entries 👔 🗟 🖒 🖪	ł				
Compa	ny-Code-Dependent Settings					
CoCd	ССТр	Accounting Syst	Company Code			
0001	Standard Company Code 🛛 🔻 🔻	FI	✓			
IN02	Standard Company Code 🔹 🔻	FI	V			
MC01	Standard Company Code 🔹 🔻	FI	V			
PT01	Standard Company Code 🔹 🔻	FI				

Figure 6-10. Company-code-dependent settings

Various company codes can be created. An example is given in Figure 6-11 and Figure 6-12.

Change View "Company-Code-Depender	nt Settings": Details
💖 New Entries 🛅 🖬 🕼 🕼 📓	
Company Code 0001	
Company-Code-Dependent Settings	
Category	
Company Code Type Standard Company Code	▼
System	Zero Tax Indicators
Accounting System FI	Input Tax Type 0% MVST
	Input Tax Group 0% NONE
Rental Accounting	
Residual Items Item Summariz.Active	Output Tax Type 0% MWST
✓ Fill Assignment Tax Summariz. Active	Output Tax Group 0% NONE
Fil BA	
Accr.Dep.on PrdPstg	
Uniqueness of Object Assignment	Input Tax Distribution
FuncLoc Multiple Asset Mandatory	Company Code Opts
Asset Multiple	InpTaxDist.Projects
WBS Multiple	Inp TaxDist.CostCtr
Orders Multiple	InpTaxDist.PM Orders
Multiple Cost Ctr	InpTaxDist.Int.Order No Input Tax Distribution for Intern 💌

Figure 6-11. Company-Code-Dependent Settings: Details

Default Units of Measurement		Project Error	Issue No Message
Area Unit	M2	PM Order Error	Issue No Message
Volume Unit	M3	Internal Order Error	Issue No Message
Unit of Length	M	Cost Center Error	Issue No Message

Figure 6-12. Company-Code-Dependent Settings: Details (continued)

- R3-FI has been activated as the Financial Accounting System.
- Input Tax Distribution

Company Code Opts – If this indicator is set, it means that option rates are to be determined.

Rental Accounting

What if indicators are set against each item below?

- Residual Item Uncleared balance amount becomes a residual item that is treated as a new open item.
- Fill Assignment Document line-item assignment is automatically filled.
- Item Summarization Items will be summarized
- Tax Line Item Summarization Tax items are summarized based on specified criteria
- Uniqueness of Object Assignment

It states whether the uniqueness of an object is to be maintained or not. Select checkboxes for Functional Location, Asset Assignment, WBS Multiple, Order Multiple, or Multiple Cost Center, which means you can have multiple real estate objects set in the same time in the same period for the order. No checkmark here means you can assign only one real estate object in the period. Selecting Asset Mandatory means it is mandatory to assign the fixed asset to the real estate object.

• Default Units of Measurement

Area Unit, Volume Unit, Unit of Length options specify the units of measurement for the area, volume, and length per the company code as a default value for the business entity.

In order to ensure the account's assignment to a real estate object we need to activate real estate management in the Controlling Area screen (Figure 6-13).

Change View "Activ	ate components/	control indicators": Details
💅 New Entries 间 🖬 🖄	6 6 5	
Controlling Area Controlling Area Controlling Area Assignment of comp	Controlling Area Fiscal Year	0001 Puna Multi retail Ltd 1992 to 9999
	Activate Components Cost Centers AA: Activity Type Order Management	Component active Component active
	Commit. Management ProfitAnalysis Acty-Based Costing	Components active Component not active Component Not Active Image: Component Not A
	 Profit Center Acctg Projects Sales Orders Cost Objects Real Estate Mgmt 	W. Commit. Mgt
	Other Indicators Call Currencies Variances CoCd Validation	
	Alternative Authorization	Hierarchies for Cost Centers

Figure 6-13. "Activate components/control indicators": Details

Configurations for Service Charge Settlements in REFX

The Flexible Real Estate module comes under the accounting part of SAP and can be accessed in SPRO as shown in Figure 6-14. SAP service charge settlements are a part of the SAP Flexible Real Estate management module, which enables service charge settlement of all types to be incurred in SAP REFX.

•	Flexible Real Estate Management (RE-FX)
•	Basic Settings
•	Business Partner
۰ 🌬	Address Management
•	Master Data
•	Contract
•	General Settings for Master Data and Contract
•	Conditions and Flows
•	Real Estate Search
•	Accounting
•	Adjustment of Conditions
•	Sales-Based Settlement
•	Service Charge Settlement
•	Controlling
•	Option Rate Determination and Input Tax Distribution

Figure 6-14. Service Charge Settlement node is found under Flexible Real Estate Management (REFX) in SPRO

Service Charge Settlement configurations are available in SPRO under:

Menu Path

IMG ➤ Flexible Real Estate Management ➤ Service Charge Settlement

Set Service Charge Keys

The service charge keys determine the type of expenses, and the settlement units determine the various service charges that need to be settled.

Menu Path

IMG ➤ RE-FX ➤ Service Charge Settlement ➤ Master Data of Settlement Unit ➤ Service Charge Keys

Service charge keys are used for the settlement of expenses under different heads. Standard service charge keys are available considering various heads of expenses required to be incurred. However, any new expense head can be added based upon the requirements. Default values can be set for service charge keys (Figure 6-15). The next step would be to enter the measurement details and check the heating value day's indicator.

Change View "Service Charge Key": Overview													
9 🕄	New Entries 👔 🔒 🖒 🛃	88											
Service	e Charge Key												
	Description	Short Text	OC	A	C	Н.,	Direct Cost Posting	AcctSymb.CostAc	MeasTp	SettVa	MasterSU Distrib Type		SettVariant
1000	Property Tax	Property Tax	•	•		C] SU Assignable to _ •		A200	A001	Measurement Type	٠	Yearly, 01/01 to 12/31
1100	Property + Liability Insurance	Insurance	•	•		C] SU Assignable to _ •		A200	A001	Measurement Type	•	Yearly, 01/01 to 12/31
1200	Water Supply	Water Supply	•	•] SU Assignable to 🔻		A200	A001	Measurement Type	٠	Yearly, 01/01 to 12/31
1300	Drainage	Drainage	•	V] SU Assignable to •		A200	A001	Measurement Type	•	Yearly, 01/01 to 12/31
1400	Elevator	Elevator	•	•		C] SU Assignable to _ 🔻		A200	A001	Measurement Type	٠	Yearly, 01/01 to 12/31
1500	Street Cleaning	Street Cleaning	•	V		C] SU Assignable to 🔻		A200	A001	Measurement Type	٠	Yearly, 01/01 to 12/31
1600	Garbage Removal/Disposal	Disposal	•	•] SU Assignable to 🔻		M001	A001	Measurement Type	٠	Yearly, 01/01 to 12/31
1700	Lighting	Lighting	•	•] SU Assignable to 🔻		A200	A001		٠	Yearly, 01/01 to 12/31
1800	Broad Band Cable Network	Broad Band Cab.	•	V] SU Assignable to _ *		A200	A001	Measurement Type	٠	Yearly, 01/01 to 12/31

Figure 6-15. "Service Charge Key": Overview

A service charge key denotes the type of costs that a real estate object incurs. Not all costs incurred are apportionable, and we need to distinguish between costs chargeable to tenants and costs that cannot be charged to them (Figure 6-16).
Change View "Service Charge Key": Details						
💖 New Entries 🗎	∽ 6 8 					
Service Charge Key	1000					
Service Charge Key						
Description	Property Tax					
Short Text	Property Tax					
Considered For	Considered for All Settlements					
✓ Operating Costs (Not Heat	ating)					
✓ Can Be Apport.						
Apport. Only for Commer	cial					
Use Heating Value Days						
Directly Assigned Costs						
Direct Cost Posting	SU Assignable to Account					
External Settlement						
Acct Symb. Cost Acct						
Default Values When Creat	ting Settlement Unit					
Measurement Type	A200 Residential/Usable Space					
Settlement Variant	A001 Yearly, 01/01 to 12/31					
MasterSU DistribType	Measurement Type					

Figure 6-16. "Service Charge Key": Details

Default Values for Distribution Rule of Settlement Unit

When a settlement unit is created, the system first checks if an entry was created for the given service charge key. If there is no entry, then the system defaults to the measurement type that was entered in the characteristics of the service charge key. Though default values can be mentioned in the Service Charge Keys link, for some service charge keys that is not enough, since they need to settle, for instance, 60% by usable space and 40% by consumption. In this step you can specify these more complex rules as defaults (Figure 6-17).

Menu Path

 $IMG \ge RE-FX \ge Service$ Charge Settlement \ge Master Data of Settlement Unit \ge Default Values for Distribution Rule of Settlement Unit

Chai	nge View "L	Defau	Its for C	reating	SU per S	СК	ey":	Oven	/ieu
Ne	ew Entries 🗎	- 🔊							
Defaul	ts for Creating SL	J per SC	Кеу						
SCK	Short Text	P	MeasTp	Appo	Heating V	Vac.			
1000	Property Tax	AL	A002		ZHEIZ		•		
1300	Drainage	AL	A003		ZHEIZ		-		
1400	Elevator	AL	A005		ZHEIZ				

Figure 6-17. "Defaults for Creating SU per SC Key": Overview

Settlement Variants

Any settlement needs a period for which it is required to be carried out. *Settlement variant* is an accounting variant created for the period of the settlement. The variant can be a single period valid for 12 months or can be various settlement periods. Users can create, edit, display, and delete settlement variants from the link (Figure 6-18).

Menu Path

IMG ➤ RE-FX ➤ Service Charge Settlement ➤ Master Data of Settlement Unit ➤ Settlement Variants



Figure 6-18. Settlement variants (create, edit, display, and delete)

The following is an example of one settlement variant, A005 (Figure 6-19). UM corresponds to the month, UD to the day, and AD to the annual displacement, which is used to determine the settlement year depending on the value date of a document for the service charge settlement.

Display Settlement Variants: Settlement Periods					
Settlement variant	A005 Yearly 1/1/ to 31/12				
Settlement year	Year-dependent				
UM UD AD Settlement	Period				

Figure 6-19. Display Settlement Variants: Settlement Periods

Tenancy Laws

The tenancy laws of some countries provide rules for the distribution of heating expenses as per the specific location (Figure 6-20). This determines if part of the heating cost will be passed to tenants or whether there is a system to distribute it, as per the regional locations' tenancy laws.

Menu Path

IMG ➤ RE-FX ➤ Service Charge Settlement ➤ Master Data of Settlement Unit ➤ Settings Dependent on Tenancy Law: Apportion Vacancy and Reg. Location Key

Chan	ge View "Service Charge Settlement Setti	ngs Depende	nt on Tenancy l
🦅 Ne	w Entries 📫 🔒 🕼 🛃 🖪		
Service	Charge Settlement Settings Dependent on Tenancy Law		
TLaw	Tenancy law description	Vacancy perc.rate	RegLoci
1	German tenancy law		✓ ▲
2	Austrian tenancy law		V -
3	Dutch tenancy law		✓
4	Swiss tenancy law		V
5	Italian tenancy law		Image: Second

Figure 6-20. Settings dependent on tenancy law

Heating Days

In case heating expenses are to be distributed as per regional location or as per percentage of the heating area, the period and the percentage of the value of the expenses need to be selected. We need to define the regional locations before carrying out such distribution.

Menu Path

IMG ➤ RE-FX ➤ Service Charge Settlement ➤ Master Data of Settlement Unit ➤ Heating Days

Refer to the following examples. Munich and Zurich are regional locations here (Figure 6-21), and the heating value percentage (Figure 6-22) is defined against that.

Change View "Regio	onal Locat	tion Key": Overview	
💖 New Entries 🗎 🖬 🕼			
Dialog Structure	RL key	Regional location key for heating value days	
Regional Location Key	MUEIZ	Munich Heating	*
 Heating Value Days 	ZHEIZ	Zurich Heating	-
	ZHEIZ1	Zurich Heating	

Figure 6-21. Heating days: regional location key

Change View "Heating Value Days": Overview							
🎾 New Entries 👔 📑 🕼 🗐 🖪							
Dialog Structure RL key MUEIZ Munich Heating • 🔁 Heating Value Days • • • •							
	Heat.from	HtVal%					
	01.01.2015	15,00	*				
	01.02.2015	12,00	·				
	01.03.2015	11,00					
	01.04.2015	13,00	<u> </u>				

Figure 6-22. Heating days: heating value days

Define Default Values for Current Occupancy Principle

We may define for each service charge key which default settings are valid for new settlement units based on the current occupancy principle (Figure 6-23). The Current Occupancy Principle indicator can only be set for rental units and rental spaces, not for pooled spaces.

Menu Path

IMG \triangleright RE-FX \triangleright Service Charge Settlement \triangleright Master Data of Settlement Unit \triangleright Define Default Values for Current Occupancy Principle

New	New Entries: Overview of Added Entries						
Ø 星							
Setting	gs for Current Oc	cupancy Principle					
SCK	Short Text	When COCP					
1000	Property Tax	Always settle using current occupancy principle 🔹					
1200	Water Supply	Settle using current occupancy if indicator set o 🔻					
1300	Drainage	Never use current occupancy principle					

Figure 6-23. Settings for current occupancy principle

In certain countries, the current occupancy principle is common for buildings that were constructed prior to certain date, and some specific costs may not be chargeable based on the current occupancy principle. Here you may have to select "Never settle according to current occupancy principle" for the relevant service charge key, as seen for service charge key 1300 in the previous figure.

Dialogs and BAdI

To define the field status, screen sequences, and field status groups, the Dialog link is used. To define any substitutions or validations that would be required in the master data for participation groups, the BAdI link is used.

Menu Path

IMG ➤ RE-FX ➤ Service Charge Settlement ➤ Master Data of Settlement Unit ➤ Dialog ➤ Screen Layout

Field Groups

Field groups specify how the fields are grouped for the Business Data Toolset. Standard settings are available, and you need not make changes unless you want to add some new fields to the master data dialog.

Menu Path

IMG > RE-FX > Service Charge Settlement > Master Data of Settlement Unit > Dialog > Screen Layout > Field Groups > Field Groups

The following (Figure 6-24 and Figure 6-25) are screenshots of some of the configurations.

CHAPTER 6 SERVICE CHARGE SETTLEMENTS

Fld	Description	1
1	Company Code (Key)	•
2	Valid Business Entity (Key)	
3	Service Charge Key (Key)	
4	Settlement Unit (Key)	
7	Description of Settlement Unit	
12	Authorization Group	
14	Tenancy Law	
70	Status Display	
72	No Input Tax Adjustment in Service Charge Settlemt	
75	Supplementary Texts	
81	Participation Group	
82	Apportionment Rule	
83	Option Rate Method	
1		

Figure 6-24. Configurations

Change View "Field	Groups": Details						
🞾 New Entries ڷ 🖬 🕼	🗟 🗟 🟭 🚓 Simulatio	n					
Dialog Structure	Field Group 1						
	Description Company Code (Key)						
	FM for fld grouping	FM for fld grouping RESU_RESU_EVENT_FMOD2					
	Indiv. Required Field Ch	eck					
	Table control						
	Changes plannable						
	Field Grp for Search						
	Behavior During Customizin	g					
:	Exclude Customizing						
	Exclude required entry Exclude optional entry						
	Exclude display	Exclude hide					

Figure 6-25. Field groups

Field Status

Field statuses are the details that group individual fields into field groups.

Menu Path

 $IMG \succ RE-FX \succ Service Charge Settlement \succ Master Data of Settlement Unit \succ Dialog \succ Screen Layout \succ Field Groups \succ Field Status$

Change V	Change View "Field Grouping Activity": Overview								
Field Grouping	Field Grouping 🦻 New Entries 咱 🗟 🕼 🗟 🖪 🖪								
Field Grouping	Activity								
Activity	Descript.								
01	Create								
02	Change								
03	Display								
1000									

Figure 6-26. Field grouping activity

We can customize the fields that are displayed (Figure 6-26).

Views

We need to specify which field groups are grouped together into a view. We need to group together the field groups that necessarily belong together during a check (Figure 6-27 and Figure 6-28).

Menu Path

IMG > RE-FX > Service Charge Settlement > Master Data of Settlement Unit > Dialog > Screen Layout > Views

Change View "Views	": Over	view	
💖 🕄 New Entries 🗎 🔒	∽ ≣ ∎	Simulation Simulation	
Dialog Structure	RESU02 RESU14 RESU14 RESU70 RESU72 RESU75 RESU75 RESU79 RESU81 RESU82	Description Initial Screen Settlement Unit Authorization Group Tenancy Law Status Display No Input Tax Adjustment in Service Charge Settlemt Supplementary Texts Identification in Subscreen Participation Group Apportionment Rule Option Rate Method	
	_	Cost Collector Posting Parameters	_

Figure 6-27. Views

Change	View "	View ->	Field G	Groups":	Overview
--------	--------	---------	---------	----------	----------

🦻 New Entries 📫 🔂 🐼 🔜 🖳	
Dialog Structure View RESU00 Initial Screen Views View -> Field Groups Initial Screen	
Further checks View -> Field Groups	
Fld gr Description	
1 Company Code (Key)	-
2 Valid Business Entity (Key)	•
3 Service Charge Key (Key)	
4 Settlement Unit (Key)	

Figure 6-28. View field groups

Screens

You can define screens and the sections that go in them. You can create custom tab pages, specifying where the tab pages should appear in the dialog and the sections that make up these tab pages (Figure 6-29).

Menu Path

 $IMG \succ RE-FX \succ Service Charge Settlement \succ Master Data of Settlement Unit \succ Dialog \succ Screen Layout \succ Screens$

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CHAPTER 6 SERVICE CHARGE SETTLEMENTS

Change View "Scree	ns": Overview	
💅 🕄 New Entries 🛯 🔒	🖒 🛃 🖪 🕞 📫 Simulation	
Dialog Structure	Screen Description	Screen title
GI Screens	RESU00 Initial Screen	Initial Screen
Screen -> Sections	RESU02 General Data	General Data
	RESU03 Assigned Participation Groups	Participation Groups
	RESU04 Apportionment Rule	Apportionment Rule
	RESU06 Settlement Company	Settlement Company
	RESU08 Cost Object	Cost Object
	RESU09 Option Rate Methods	Option Rate Methods
	RESU10 Cost Collector	Cost Collector
	RESU11 Posting Parameters	Posting Parameters
	RESU13 Meter	Meter
	RESU75 Supplementary Texts	Supplementary Texts
	RESU86 Resubmission	Resubmission
	RESU9V Overviews (Lists)	Overviews
	SUCH42 Settlement Company (CH)	Settlement Company
	SUFC40 Fuel Level (CH)	Fuel Level (CH)



Screen Sequences

A screen sequence consists of different screens. We need to define the screen sequence, including the screens that are part of it (Figure 6-30 and Figure 6-31) and the assignment of a screen sequence category. It provides details of the tab pages that will be used as well as their order.

Menu Path

IMG > RE-FX > Service Charge Settlement > Master Data of Settlement Unit > Dialog > Screen Layout > Screen Sequences

Change View "Scree	n sequend	ces": Overview	
💖 New Entries ڷ 🛃 🖒	B B B -	Simulation	
Dialog Structure	Scrn seq.	Description	[]]
 Screen sequences 	RESU	Settlement Units	
 Screen Sequence -> 	1250	Sectement onits	
 Screen Sequence Categ 	_		
• 🗀 Screen Sequence Ca			

Figure 6-30. Screen sequences

CHAPTER 6 SERVICE CHARGE SETTLEMENTS

Dialog Structure	Screen sequence		RESU Settlement Units		
 Screen sequences 					
• Screen Sequence ->	Screen Seq	uence -> S	Screens		
 Screen Sequence Categ Screen Sequence Ca 	I consistent		Screen title	Description	F
			Initial Screen	Initial Screen	
	2000	00 RESU02	General Data	General Data	
	3000	00 RESULL	Posting Parameters	Posting Parameters	(
	4000	00 RESU03	Participation Groups	Assigned Participation Groups	
	6000	00 RESU04	Apportionment Rule	Apportionment Rule	
	8000	00 RESUO 6	Settlement Company	Settlement Company	
	9000	00 RESUOS	Cost Object	Cost Object	
	10000	00 RESU09	Option Rate Methods	Option Rate Methods	
	11000	00 RESU13	Meter	Meter	
	13000	00 RESU10	Cost Collector	Cost Collector	
	14000	00 RESUS6	Resubmission	Resubmission	
	15000	00 RESU9V	Overviews	Overviews (Lists)	
	16000	00 SUFC40	Fuel Level (CH)	Fuel Level (CH)	
	17000	00 SUCH42	Settlement Company (CH)	Settlement Company (CH)	
	18000	00 RESU75	Supplementary Texts	Supplementary Texts	

Figure 6-31. Screen Sequence: Screens overview

Events

Standard dialogs are provided and should not be changed unless some complex modification is required (Figure 6-32).

Menu Path

IMG > RE-FX > Service Charge Settlement > Master Data of Settlement Unit > Dialog > Screen Layout > Events

Display View "Event	ts": Overview	
Dialog Structure	Event Description APPLC Set Active Applications ARCH1 Archiving: Check Data ARCH2 Archiving: Header Data (Owner Application) ARCH3 Archiving: Dependent Data (Participating Appl.) ARCH4 Archiving: Delete Archived Data ARCH5 Archiving: Check Before Reloading ARCH6 Archiving: Reload ARCH8 Archiving: Reload ARCH8 Archiving: Registration of Objects AUTH1 Authorization Checks	

Figure 6-32. Events

Tables

Tables may be modified in case of a complex requirement, but it is recommended to not make any changes to the standard settings (Figure 6-33)

Menu Path

 $IMG \succ RE-FX \succ Service Charge Settlement \succ Master Data of Settlement Unit \succ Dialog \succ Screen Layout \succ Tables$

Change Vie	w "Tables": Details	
🦅 New Entries	n 🖬 🗠 🖓 🖓 💭	
Appl. Object	RESU	
Table Name	VISCSU	
General Data		
Step loop		
DI structure		
Change doc.obj.		
Program. Model		
Service Function M	odules	
Read data	RESU_RESU_SCREENDATA_GET	Function Module
Collect data		Function Module
DI Head.Data		Function Module

Figure 6-33. Tables

Implement Enhancements (BAdI)

The Business Add-In helps in enhancing the standard functions of real estate contracts without touching codes. We can create a BAdI and implement it for our particular enhancement.

Menu Path

 $IMG \succ RE-FX \succ Service Charge Settlement \succ Master Data of Settlement Unit \succ Implement Enhancements (BAdI) \succ Number Assignment, Validation, Substitution$

Usage Types for Service Charge Settlements

We must define all rental objects for which the service charge settlement is to be performed. The user needs to define all usage types that would need a service charge settlement to be performed on them. A usage type against which we set an indicator can participate in the service charge settlement, and those for which you do not set an indicator cannot participate (Figure 6-34). Rental objects are in turn assigned to usage types through participation groups.

Menu Path

IMG ➤ RE-FX ➤ Service Charge Settlement ➤ Settings for Rental Objects and Contracts Participating in Settlement ➤ Usage Types for Service Charge Settlement

	New Entries и 🖬 🖬 🕬 🔜 🖷 🗐	r		_			
UT	Usage Type Medium Name	Short Name	Sett.	IUT	IntUsageTypeNa	Cat	
1	Privately-financed accommodat.	Priv.fin.accomm		1	Priv.fin.accomm	Non-commercial	
2	Public-authority supp.accommod	Pub-aut.sup.acc		2	Pub-aut.sup.acc	Non-commercial	
3	Medical practice	Medic. practice	•	3	Commerc.ten.law	Commercial	•
4	Store	Store	•	3	Commerc.ten.law	Commercial	
5	Office	Office	•	3	Commerc.ten.law	Commercial	
6	Warehouse	Warehouse	•	3	Commerc.ten.law	Commercial	,
7	Advertising space	Advert. space		7	Advert. space	Commercial	•
8	Vending machine space	Vend.mach.space		8	Stand area	Commercial	,
10	Garage (commercial)	Garage (comm.)		4	Comm.park.space	Commercial	•
11	Garage (private)	Garage (priv.)		5	Priv.park.space	Non-commercial	•
12	Garage (mixed use)	Garage (mixed)		9	Gen.parking spc	Used for both	
40	Terminal	Terminal	•	3	Commerc.ten.law	Commercial	
41	Terminal - Check-in	Tml Check-in	•	3	Commerc.ten.law	Commercial	3
42	Terminal - Lounge	Tml - Lounge		3	Commerc.ten.law	Commercial	
43	Terminal - Trading stall	Tml - Stall	-	3	Commerc.ten.law	Commercial	

Figure 6-34. External usage types

Define Measurement Types

Measurements are used to record the measurable part of objects. The measurement type indicates the type of trait that is being measured. The measurements of a rental object are used in service charge settlement for determining apportionment. In the case of real estate objects, we can have total area, office area, parking area, and so on, which are occupying a specific area of total available space and are created as measurement types (Figure 6-35 and Figure 6-36).

Menu Path

IMG ➤ RE-FX ➤ Service Charge Settlement ➤ Settings for Rental Objects and Contracts Participating in Settlement ➤ Define Measurement Types

	-													
g	New Entries	, 10												
laintain	Measurement Type	5												
MeasTp	Short Meas Type	Med. Meas. Type	Total	Ar.Ms.	ForApp	D	Alwd BE	Allwd PR	A	awd BU	RO	AO	Allwd REC	ALf.Parc
A001	Total Area	Total Area				M2	Propert_	· Propert.	* P1	ropert. •	Propert.	· Propert.	Propert.	Propert.
A002	Floor Area	Floor Area		V	•	M2	Propert_	· Propert.	• P:	ropert_ •	Propert	· Propert.	Propert.	· Propert.
A003	Usable Space	Usable Space				M2	Propert_	· Propert	• P1	ropert. *	Propert	· Propert.	Propert.	· Propert
A004	Living Area	Living Area				M2	Propert_	· Propert.	• P:	ropert_ •	Propert	· Propert.	Propert_	· Propert.
A005	Secondary Space	Secondary Space				M2	Propert_	· Propert.	₹ Pi	ropert_ •	Propert.	· Propert.	Propert_	· Propert_
A100	Retail Space	Retal Space				M2	Propert_	· Propert.	• P:	ropert_ *	Propert	· Propert.	Propert.	· Propert_
A101	Office space	Office Space				M2	Propert_	· Propert.	• 21	ropert_ *	Propert.	· Propert.	Propert.	· Propert_
A102	Parking Area	Parking Area				M2	Propert_	· Propert	• P:	ropert_ •	Propert	· Propert.	Propert_	· Propert_
A200	Res./Use.Space	Residential/Usable Space				M2	Propert_	· Propert.	• P:	ropert_ *	Propert	* Propert.	Propert_	· Propert.
M001	Room Capacity	Room Capacity in Persons				PRS	Propert_	· Propert.	* P:	ropert	Propert	· Propert.	Propert_	· Propert.
MOOS	No DarkinoCoarco	Number of Darking Spaces	0	0	100	20	Propert	V Propert	¥ 0.	TOPATT 1	Propert	T Propert	Propert	Propert

Figure 6-35. Maintain measurement types

Change View "Ma	nintain Measurement Types": Details
🦻 New Entries 🛅	
easurement Type	A001
Maintain Measurement Type	25
Name	
Med. Meas. Type	Total Area
Short Meas Type	Total Area
Default Unit	M2
✓ Total Measurement	
Area Measurement	
Restrictions	
Allowed for AO	Property Is Allowed for Object
Allowed for RO	Property Is Allowed for Object
Allowed for BE	Property Is Allowed for Object
Allowed for PR	Property Is Allowed for Object
Allowed for BU	Property Is Allowed for Object
Allowed for Contract	Property Is Allowed for Object
Object Reference	Object Reference Allowed
Allowed for Parcel	Property Is Not Allowed for Object
Service Charge Settlement	t Properties

Figure 6-36. "Maintain Measurement Types": Details screen

Define Characteristics and Measuring Point Category

A rental object whose characteristics are consumption dependent can use a measuring point category for the apportionment of service charges based on consumption; for example, power usage in a building. We need to define the characteristic and then create measuring point categories for the same (Figure 6-37). The characteristics can be created in characteristic classes. The characteristics cannot be transported, but rather have to be manually created in the target system. Here, we determine the characteristics for meters and the measuring point categories.

Menu Path

IMG \triangleright RE-FX \triangleright Service Charge Settlement \triangleright Settings for Rental Objects and Contracts Participating in Settlement \triangleright Apportionment by Consumption: Define Characteristics and Measuring Point

Di	splay IMG		
含	🛃 📲 Existing BC Sets 🗠	Sets for Activity	ିନ Activated
ت ك د	hoose Activity		
	noose Activity		
	tivities		
Ac			
Ac Pe	tivities		

Figure 6-37. Define characteristics and measuring point category

The Table 6-1 and Figure 6-38 provide an example of a characteristic.

Table 6-1.	Characteristics
------------	------------------------

Field Name	Value
Characteristic name	POWERCONSUMPTION
Base data:	
Name of the characteristic	POWERCONSUMPTION
Language key	E
Characteristic description	Power consumption
Characteristics group	Local Characteristics for measurement
Status	1 released
Data type	NUM
Number of positions	8 Decimal places
Unit of measurement	m3
Template	·,,
Heading 1	Power
Heading 2	Consumption

Display Characteristic	
略 塁	
Characteristic POWERCONSUMPTION Change Number Valid From 22.04.2016 Validity Basic data Descriptions Values Addnl data	Restrictions
Basic data Description SettIment of power charges Chars Group Local Characteristics Status Released Auth.Group	
Format	Value Assignment
Data Type Character Format Number of Chars 8 Case Sensitive Template	 Single Value Multiple Values Restrictable Entry Required

Figure 6-38. Characteristic data

Figure 6-39 provides an example of a measuring point category.

w "Measuring Point Category": Details
M
MeasPoint (general)
2
W

Figure 6-39. *Measuring point category*

Condition Types for Advance Payments and Flat Rates

Here, we define various condition types for advance payments or flat rates for payments. For example, the following condition groups are configured as follows: the user needs to select each condition group (Figure 6-40) and click on the assignments in the left tab as shown in Figure 6-41. The following screen is displayed, and is where the user enters the condition type, the sequence, and the conditional purpose.

Menu Path

IMG ➤ RE-FX ➤ Service Charge Settlement ➤ Settings for Rental Objects and Contracts Participating in Settlement ➤ Condition Types for Advance Payments and Flat Rates

Change View "Condit	tion G	Group": Overview	
🦅 New Entries 🛅 🔂 🖒			
Dialog Structure	Condit	ion Group	
Condition Group Assignment of Condi	Co	CondGrName	[]]
Assignment of Condi	AS01	Assessment Contract	^
	C000	Customer Contract - General	-
	C001	Customer Contract - Commercial	
	C002	Customer Contract- Residential	
	C003	AP Rev. Cust. Contract Comm.	
	C004	AP Rev. Cust. Contract Resid.	
	CO00	Vendor Contract	
	D000	Security Deposit Agreement	
	1000	Rent Conditions	
	1001	Service Charges	

Figure 6-40. Condition group

Dialog Structure	Condition G	rp C001						
Condition Group	Cond.Grp N	-	ract - Commerc	lai				
 Assignment of Cond 	control p in		acc - comment					
	Assignme	ent of Condition Types to	Condition Gro	up				
	CdTyp	Condition Type	Sequence	Condition Purp.		Adjustment Rule	Hidden	Obsolete
	10	Basic rent	10	Actual Rent	•	-		
	11	Office Basic Rent	13	Actual Rent	•			Ċ
	12	Warehouse basic rent	15	Actual Rent	•			0
	13	Store Basic Rent	16	Actual Rent				C
	15	Parking/garage rent	400	Actual Rent	•	•		C
	20	Maintenance cost	20	Actual Rent	•	Service Charge Settlem. •		0
	21	Heating exp.adv.pmnt	30	Actual Rent	•	Service Charge Settlem		C
	22	Serv.charge OC/HE AP	40	Actual Rent	•	Service Charge Settlem. •		C
	23	Elevator adv.payment	50	Actual Rent	-	Service Charge Settlem		
	30	OC flat rate	60	Actual Rent	•	Service Charge Settlem. •		
	31	HE flat rate	70	Actual Rent	•	Service Charge Settlem. *		
	32	SC flat rate	80	Actual Rent	-	Service Charge Settlem. •		
	33	Elevator flat rate	90	Actual Rent	•	Service Charge Settlem. •		0
	60	Sales-Based Rent		Actual Rent	•			

Figure 6-41. Assignement of condition types to condition group

Assign Default Condition Type to Service Charge Key

The assignment of a condition type to a service charge key enables the determination of flow type, which in turn helps in account determination (Figure 6-42).

Menu Path

IMG \triangleright RE-FX \triangleright Service Charge Settlement \triangleright Settings for Rental Objects and Contracts Participating in Settlement \triangleright Assign Default Condition Type to Service Charge Key

Cha	nge View "As	sign	ment of Service	Charge	Key to Conditio	on Type": Over
🎾 🖒						
Assign	ment of Service Cha	irge Ke	ey to Condition Type			
SCK	Short Text	СТур	Condition Type Text	11		
1000	Property Tax	20	Maintenance cost			
1100	Insurance	20	Maintenance cost	-		
1200	Water Supply	20	Maintenance cost			
1300	Drainage	20	Maintenance cost			
1400	Elevator	20	Maintenance cost			
1500	Street Cleaning	20	Maintenance cost			
1600	Disposal	20	Maintenance cost			
1700	Lighting	20	Maintenance cost			
1800	Broad Band Cab.	20	Maintenance cost			
1900	Garden	20	Maintenance cost			

Figure 6-42. Assignement of service charge key to condition type

Assign Condition Type to Service Charge Key/Group

The user can define the condition in two ways:

- 1. User does not assign the condition to the service charge key and keeps the field blank, in which case a condition type is settled to all service charge keys in a service charge group.
- 2. User makes an entry for the condition type for each service charge key, in which case a condition type is settled against the specified service charge key. Refer to Figure 6-43, in which service charge key 1400 is mentioned against Condition type 23

Menu Path

IMG > RE-FX > Service Charge Settlement > Settings for Rental Objects and Contracts Participating in Settlement > Generating of Settlement Participation (for Contract) > Assign Condition Type to Service Charge Key/Group

2 🕄	Nev	v Entries 🛯 🔒 🖒 🛛							
Assign	ment	of Condition Types and S	ervice Charge Keys						
СТур	SCK	Condition Type Text	Short Text	Service Charge Cat.	0	C	Apb	Co	Н.,
20		Maintenance cost		Operating Costs	- 1				IC
21		Heating exp.adv.pmnt		Heating Expenses	• [
22		Serv.charge OC/HE AP		General Service Charges	- [
23	1400	Elevator adv.payment	Elevator	No General Costs (SCS-Speci)	- 6	\checkmark	\checkmark		C
30		OC flat rate		Operating Costs	- [
31		HE flat rate		Heating Expenses	- [C
32		SC flat rate		General Service Charges	- [C
33	1400	Elevator flat rate	Elevator	No General Costs (SCS-Speci *	- 6	7	\checkmark		C
40		AP Op.Costs Revenue		Operating Costs	- (C
41		AP Heating Costs Rev		Heating Expenses	- [C
42		AP OC+HC Revenue		General Service Charges	- (C
43	1400	AP Elevator Revenue	Elevator	No General Costs (SCS-Speci)	- 6	\checkmark	\checkmark		C
50		Assessment		General Service Charges	- [C
51	7400	COA Maint.Reserve	COA Reserves	No General Costs (SCS-Speci)	- 8	7			C
52	7910	Spec.Assessment COA	COA Spec.Assmt	No General Costs (SCS-Speci	-	7			Г

Figure 6-43. Assignment of condition types and service charge keys

Define Default Values for Settlement Participation per Service Charge Key

The section in question is used to define a default settling rule for a service charge key that has no condition type assigned to it. Here, the user can state that either costs incurred in those contracts are not to be settled or costs will be settled in the form of final settlement.

Menu Path

IMG > RE-FX > Service Charge Settlement > Settings for Rental Objects and Contracts Participating in Settlement > Generating of Settlement Participation (for Contract) > Define Default Values for Settlement Participation per Service Charge Key

Define Settlement Parameters

Defining the parameters for a settlement (Figure 6-44 and Figure 6-45) can be done by selecting the following checkboxes. This helps users, as they need not define parameters on their own.

- Active: The parameters can be used for selection only if the Active checkbox is checked.
- Standard: You can set a parameter as the default for settlement when Standard checkbox is selected.
- Open AP: Open AP checkbox determines how advance payments that were agreed upon but not paid will be settled.
- Country-Specifics: Settlement for each country may vary depending on legal requirements of each country; hence, it is better that individual settlement parameters for each country are created by respective users.
- Post Balance: If the requirement is to offset the down payments received with receivables, then this checkbox needs to be selected.
- Tenant Service Charge Settlement: If we have to settle rental agreements and rental units with the current occupancy principle indicator in the service charge, this checkbox needs to be checked.
- Leave Unpaid Advance Payments Open (Planned Principle): Unpaid advance payments in settlements will not be cleared if checkbox is selected.
- Print Separate: This will check whether correspondence is to be printed manually or automatically.

Menu Path

IMG ➤ RE-FX ➤ Service Charge Settlement ➤ Settlement Process ➤ Define Settlement Parameters

Change Vie	w "Settlement Parameters": Overview
🎾 🕄 New Enti	ries 🛅 🛃 🕼 🖪 🖪
Settlement Param	neters
Stt. Schema	Key Name
AT	Austria, Current Occupancy Principle
ATHK	Austria, w/o Current Occupancy Principle (Heating Expense)
СН	Switzerland
DE	Actual Down Payments
DE2	Target Down Payments
DESS	Balance + Debited Advance Payments (Standard)
DEWG	Germany COA: Balance, Debited Advance Payments, COCP

Figure 6-44. Settlement parameters

Change View "S	Settlement Paral	meters": Details						
🞾 New Entries 🗎	- 🖉 🗗 🖬							
Stt. Schema AT								
Settlement Parameters								
Key Name	Austria, Current Occu	pancy Principle						
✓ Active for SCS	Active for COA	Active f.Budget	Active Tenant					
SCS Default	Standard COA	Standard-Budget	Standard Tenant					
Settlement Parameters								
Split Receivable If Ta	x Changes							
✓ Post Balance								
✓Leave Open APs (Pla	nned Principle)							
✓ Consider Current Occ	upancy Principle							
✓ Print separate								
Consider Vacancy Per	rcentage							
Use Other Apport.Fa	ctor (Sim./Accr.)							
Elim. of Int. Business	Vol.							
Read Cash Flow Direc	Read Cash Flow Directly from Database							
No AP Determination								
Distribute Remainder	Remainder Not Distri	buted	•					
Surcharge Schema								

Figure 6-45. "Settlement Parameters": Details screen

Define RE-Specific Account Properties

Accounts assignment is dependent on account groups, but here we define the accounts that can be used for real estate objects (Figure 6-46). Accounts can be used for all real estate objects except those for which no further settings are made. However, you cannot directly post service charge settlements in such accounts.

The following settings are needed:

- Account properties: Key in identifying the properties of an account
- Name of account property
- Indicator for "Applicable for Business Entity"

- Indicator for "Applicable for Property"
- Indicator for "Applicable for Building"
- Indicator for "Rental Object"
- Indicator for "Contract"
- Indicator for "Settlement Unit"
- Service charge key
- Service charge key name
- Direct cost postings

Menu Path

IMG \succ RE-FX \succ Service Charge Settlement \succ Settlement Process \succ Accounting: Account Determination and Accounts for Apportionable Costs \succ Define RE-Specific Account Properties

Change Vi	ew "Account Properties":	Overv	iew								
🦻 🕄 New E	ntries 🐚 🖥 🖉 🗮 🖪										
Account Proper	ties										
AcctProp.	Name of Account Properties	BE	Land	Bidg	Rental Object	Contract	Settlement Unit		SOK	SC Key Name	Direct Cost Posti
DIRO	Directly Postable with RO				Generally Allowed	•Not Allowed	• Not Allowed	•	100	OC: Directly Assigned to RO	RO - Directly
DIRV	Directly Postable w/ Contract				Generally Allowed	 Generally Allowed 	• Not Allowed	• 6	000	OC: Directly Assigned to LO	Ctr/RO - Direc
OBJ	Postable for RE Object/SU			•	Generally Allowed	 Generally Allowed 	Generally Allowed	۲			SU Assignable
50	Apportionable Costs (on SU)			0	Not Allowed	• Not Allowed	Generally Allowed	۳			SU Assignable

Figure 6-46. Account properties

Define Accounts Allowed for Individual Service Charge Keys

We can define certain accounts for settlement units with specific service charge keys (Figure 6-47). The following settings are needed:

- Account properties: Key in identifying the properties of an account
- Name of account property
- Service charge key
- Short text

Here, one has to specify all service charge keys for which a posting has to be done; in particular, account properties.

Menu Path

IMG > RE-FX > Service Charge Settlement > Settlement Process > Accounting: Account Determination and Accounts for Apportionable Costs > Define Accounts Allowed for Individual Service Charge Keys

Char	nge View "Assignment of	SC	Key to Accoui	nt P	roperty": Overview				
🦅 Ne	ew Entries 👔 📑 🕼 📑 📳								
Assign	Assignment of SC Key to Account Property								
AcPr	Acct Prop. Name	SCK	Short Text						
DIRO	Directly Postable with RO	6100	RO Direct	-					
DIRV	Directly Postable w/ Contract	6000	LO Direct	-					

Figure 6-47. Assignment of SC key to account property

Assign RE-Specific Properties to GL Account

We have seen how account properties are defined, and here we assign the particular accounts that can be used for real estate (Figure 6-48). The following settings are needed:

- Chart of accounts
- GL account number
- GL account long text
- Account property key: While configuring, user has to choose the account property keys from the selection box against each GL account

Menu Path

 $IMG \succ RE-FX \succ Service Charge Settlement \succ Settlement Process \succ Accounting: Account Determination and Accounts for Apportionable Costs \succ Assign RE-Specific Properties to GL Accounts$

(Char	nge View "Ac	count Properties": Overview		
8	2 🕄	New Entries 👔			
	Accour	nt Properties			
	ChAc	Cost Element	Description	AcPr	Acct Prop. Nam
	INT	470000	Occupancy costs	OBJ	Postable for RE
	INT	470400	RE Apportionable operating costs	SU	Apportionable C
	INT	470410	RE Apport. Oper. Costs Assignable to RO	DIRO	Directly Postable
	INT	470420	RE App. Op. Costs Assignable to Contract	DIRV	Directly Postable
	WEG	470000	Office/Facility Expense	OBJ	Postable for RE
	WEG	470400	RE Apportionable Costs COA	SU	Apportionable C

Figure 6-48. Account properties

Assign Clearing Accounts to Cost Account

Here, we define clearing accounts to be used for the cost accounts. These accounts need to be created as cost elements. The following configurations, as given in Figure 6-49 and Figure 6-50, are required for a new entry to the preceding table

Menu Path

IMG > RE-FX > Service Charge Settlement > Settlement Process > Accounting: Account Determination and Accounts for Apportionable Costs > Assign Clearing Accounts to Cost Account

Ch	han	nge View "All	ocation of clearing accts to cost acct": Overvie	ew
°P	Q	New Entries 👔		
Allo	ocati	on of clearing accts	to cost acct	
Ch	h	Cost Acct	Description	
CA	BE	619400	RE Apportionable operating costs	-
CA	ANA	630400	IS-RE Assessment-related costs	-
GK	(R	470400	RE Apportionable operating costs	=
IK	R	670400	RE Apportionable operating costs	

Figure 6-49. Allocation of clearing accounts to cost account

Change View "Allocation of	of clearing	accts to cost acct": Details
🞾 New Entries 🗈 🗟 🖒 🌡	E	
Cost Acct	470400	Chart of Accts GKR
	RE Apportion	nable operating costs
Crediting of Settlement Units		
SU credit account	470499	RE Clearing - Apportionable Operating Costs
Accounts for Breakdown Postings for Mas	ter Settlement	Units
Cost element credit master SU	470499	RE Clearing - Apportionable Operating Costs
Cost element for master SU recip.	470400	RE Apportionable Operating Costs
Cost El.Remain.Costs frm Predist.	470498	RE Credit Remainder Op. Costs Master Sett. Unit
Accounts for Distributing Net Service Cha	rges	
Clearing account LO	470500	RE Settlement - Lease-Outs Operating C
Clear.Acct LO Nonall	470510	RE Settlement- Lease-Outs Op. Costs w/o Clg
Clearing Account RO	470520	RE Settlement - Rental Units Operating Costs
Input Tax		
Clear.acct.non-deduc	470950	RE Settlement Non-Deduct. Input Tax OC SU
Clearing Acct Non-Ded.InpTax Ctr		
Clearing Acct Non-Ded.InpTx RO		
Credit acct non-ded.	470999	RE Adj. Non-Deductible Input Tax Op.Costs SU

Figure 6-50. "Allocation of Clearing Accounts to Cost Account": Details screen

Assign Default Condition Type to Service Charge Key

We need to assign a condition type to a service charge key. This type is used to set the flow type in case either explicit settlement participation for a contract has not been defined or there is no condition defined for settlement units in a contract. If a settlement unit contains more than one object, this setting is used.

Menu Path

 $IMG \succ RE-FX \succ Service Charge Settlement \succ Settlement Process \succ Accounting: Account Determination and Accounts for Apportionable Costs \blacktriangleright Assign Default Condition Type to Service Charge Key$

The configuration seen in Figure 6-51 is required.

Change View "A	ssign	ment of Service	C	ha	arg	ge Key to Condition Type": Ove
🤊 🗠 🖪 🖪 🖗						
Assignment of Service C	harge Ke	ey to Condition Type		_		1
SCK Short Text	СТур	Condition Type Text				1
1000 Property Tax	20	Maintenance cost			٠	<i>u</i>
1100 Insurance	20	Maintenance cost			•	
1200 Water Supply	20	Maintenance cost			-	
1300 Drainage	20	Maintenance cost				
1400 Elevator	20	Maintenance cost				
1500 Street Cleaning	20	Maintenance cost				
1600 Disposal	20	Maintenance cost				
1700 Lighting	20	Maintenance cost				
1800 Broad Band Cab.	20	Maintenance cost				
1900 Garden	20	Maintenance cost				
2000 Caretaker	20	Maintenance cost				
2100 Aerial	20	Maintenance cost				
2200 Laundry Facil.	20	Maintenance cost				
2300 House Cleaning	20	Maintenance cost				
2400 Pest Control	20	Maintenance cost				
3100 Heat.Exp.						
5100 Heating/Hot Wtr	21	Heating exp.adv.pmnt			•	
< >			4	۲		

Figure 6-51. Assignment of service charge key to condition type

Assign Reference Flow Types for Receivables/Credit from SCS

This setting is required so as to assign a reference flow type to the flow type for service charge settlements (Figure 6-52). The relationship between the flow type and the reference flow type needs to be selected from the drop-down box. The user can specify the reference flow type in this field, which will allow the system to refer to this flow type and follow the process as mentioned in this flow type.

Menu Path

 $IMG \succ RE-FX \succ Service Charge Settlement \succ Settlement Process \succ Accounting: Account Determination and Accounts for Apportionable Costs \succ Assign Reference Flow Types for Receivables/Credit from SCS$

?New Entries 咱 📑 🖒 📕					
ssignment of Reference Flow Ty	pes				
Relation	Flo	Flow Type Name	Re	Flow Type Name	Ē
Follow-Up Postings Due… 🔻	1000	Basic rent	1001	Basic rent receivable	-
Follow-Up Postings Due 🔻	1100	Office basic rent	1101	Office basic rent receivable	
Follow-Up Postings Due 🔻	1200	Warehouse basic rent	1201	Warehouse basic rent receivab.	C
Follow-Up Postings Due… 🔻	1500	Garage rent	1501	Garage rent	
Follow-Up Postings Due… 🔻	1900	Rent Reduction	1901	Increase Rent Reduction Recvbl	
Follow-Up Postings Due… 🔻	2000	Operat.costs adv.pmt	2001	Oper.csts adv.pmnt receivable	
Follow-Up Postings Due… 🔻	2100	Heating exp.adv.pmnt	2101	Heat.exp. adv.pmnt receivable	
Follow-Up Postings Due… 🔻	2200	Service charges AP (OC and HC)	2201	Service charges AP receivable	
Follow-Up Postings Due… 🔻	2300	Elevator adv.payment	2301	Elevator AP receiv.	
Follow-Up Postings Due… 🔻	3000	Operating costs flat rate	3001	OC flat rate receivable	
Follow-Up Postings Due… 🔻	3100	Heating expenses flat rate	3101	HE flat rate receivable	
Follow-Up Postings Due… 🔻	3200	Serv.charge flat rate(OC+HC)	3201	SC flat rate receivable	
Follow-Up Postings Due… 🔻	3300	Elevator flat rate	3301	Elevator flat rate receivable	
Follow-Up Postings Due… 🔻	4000	AP Operating Costs Revenue	4001	Recvbl. AP Op. Costs Revenue	
Follow-Up Postings Due… 🔻	5000	COA Assessment	5001	Receivable COA Assessment	
Follow-Up Postings Due… 🔻	5100	COA Maintenance Reserve	5101	Receivable COA Maint. Reserve	
Follow-Up Postings Due… 🔻	5200	Special Assessment COA	5201	Receivable Spec.Assessment C	

Figure 6-52. Assignment of reference flow types

Summary

We have seen how the service charge settlement functionality provided by SAP REFX caters to business requirements, as well as how it is configured in the system. We also learned how the infrastructure of service charge settlements is created; this infrastructure enables the settlement process.

CHAPTER 7

Sales-Based Contracts

In this chapter, we will explain the options available for sales-based contracts, the steps required to carry out sales-based settlements, and the different options available for those settlements. In this chapter, we will discuss the following:

- Sales rule and reporting rule
- Sales-based contract
- Sales-based rent settlement

Let us understand this using a business scenario.

Take a fast food restaurant that is let out by the company Purna Multinational Retail Limited to Samurai Fireworks Limited for monthly rent. It can be either fixed monthly rent or variable rent, which is based on the sales effected at the restaurant and varies from month to month. There is a minimum rent clause dictating that the tenant has to pay even if no sales take place. Also, the receivable varies based on the sales slab, and a percentage can be defined for different slabs. The functionality is also useful in places like airports, where rent is charged based on sales in duty-free shops. We need to calculate rent based on sales figures for a particular period.

Sales Rule and Reporting Rule

The sales-based rent condition is used to specify which objects of the sales-based rent agreement form the basis for sales-based rent. A sales rule defines the selection of parameters for carrying out a sales-based settlement. For example, in order to settle all sales promotion expenses, a sales rule needs to be created. We must specify sales rules for sales-based rent conditions, otherwise settlement is not possible. A contract can have more than one sales rule, but each rule needs to be assigned to sales-based rent conditions. We can assign a sales rule from zero to any number of minimum sales-based rent conditions.

The reporting rule is used to determine which sales types are considered for calculating the salesbased rent. We may have different sales types, like food sales, beer sales, clothing, and so on, that have to be defined in the reporting rule to enable the calculation of rent against those sales.

We can also enter the following:

- Gross/net sales numbers in field for net or gross sales reported
- The minimum and maximum sales amount based on which rent is calculated can be defined in the contract as a simple amount or as per a grading method in which we define for what sales slab what percentage of rent is charged. If the sales-based rent is to be calculated using a linear (not x-graded) calculation on the basis of sales, then the % rate (percentage rate) needs to be defined. With graded sales-based rent, sales limits are required to be entered; i.e., from maybe 1,000 to 5,000, 5,000 to 10,000, and so on.

• Minimum/maximum quantitative sales in units or measures can be entered, and system calculates rent based on units or measures

Sales-based rent contract creation and settlement steps are shown in detail next.

Sales-Based Agreement

In order to post receivables to the customer account in case any space has been leased out to alliance partners based on a sales-based agreement, a contract needs to be created in SAP. In such cases, it will be a lease-out contract.

Trigger

The creation of contract in SAP should only be done after the agreement has been signed between business partners and all necessary approvals have been obtained by the respective role holders.

Prerequisites

Before the contract can be created, necessary master data objects should have been created in the system, like the business entity, pooled space, and rental space. A business partner role also needs to be created for the customer with whom the alliance has been made.

Menu Path

SAP Easy Access Menu ➤ Accounting Flexible real estate management ➤ Accounting ➤ Flexible Real Estate Management ➤ Contract ➤ Process Contract

Transaction Code

RECN

Helpful Hints

The contract type to be used for creating contracts shall be as follows:

CO01 – Commercial lease-out contract

For a sales-based contract, on the General Data tab page of the contract, activate the checkbox by ticking the "Relevant to Sales" button. An additional tab for Sales-Based Agreement gets activated, and the sales-based agreement values can be captured there.

In case of retail contracts where more than one object will be assigned to the contract, we can create an object group in the object assignment and add the rental objects to this object group.

Procedure

Follow these steps to create a sales-based agreement:

1. Start the transaction using either the menu path or the transaction code.

Double-click **Process Contract** as shown in Figure 7-1.

SAP Easy Access	
 Financial Supply Chain Management Controlling Enterprise Controlling Strategic Enterprise Management Investment Management Project System Real Estate Management Flexible Real Estate Management Master Data REBDBE - Process Business Entity REBDR - Process Building REBDRU - Process Building REBDRU - Process Building REBDRU - Process Rental Object REBDRU - Process Rental Object Rental Object Architecture Master Data Business Partner Master Data Information System 	Image: Contract of the second seco
Contract Process Contract Information System	
	-

Figure 7-1. Process contract

2. Enter the company code (Figure 7-2).

Real Estate Contrac	t
수 수 & / 🌔 🔁 출	🛃 💷 🛛 🖻 Edit Object
Real Estate Contract	
Company Code 000	Puna Multinational Retail
Contract	

Figure 7-2. Real Estate Contract screen

```
3. Click
```

As required, complete and review the following fields, as shown in Table 7-1 and Figure 7-3.

Table 7-1. Create Real Estate Contract

Field Name	Description	Value
Contract Type	Description of the contract type	Commercial lease-out (CO01)

🔄 Create Real Estate	Contract	×
Contract Type ID of New Contract	Commercial lease-out	•]
Company Code Contract	0001	
		××

Figure 7-3. Create Real Estate Contract screen

4. Click

5. As required, complete and review the following fields, as shown in Table 7-2 and Figure 7-4.

Table 7-2. Create: General Data with Fast Entry

Field Name	Description	Value
Contract name	Description of the contract name	Fast food restaurant at mall
Relevant to Sales	Description of relevant to sales	Select
Not Applicable	-	Select

REC <new> Cro</new>	eate: General Data with Fast Entry
ቀ ⇒ 🎾 🗅 🔁 ۹	8 4 🕴 🕲 🖗 🥝 6 🚨 🖑 8 🚊 💷 🖪
teal Estate Contract	<new> Past food restaurant at Mall</new>
General Data with Fa	st Entry Partners Term Objects Differing Measurements Posting
Master Tenant wit	OAF-CU-04 Samurai Fireworks LTD / / MINATO-KU 107-0052
Term/Organizational Ass	ignment/Conditions
Contract Start	01.01.2015 To Profit Center P0002
End of Term	Business Area
Notice Proced.	Notice For
Pefault Conditi	on(s) . 🔀 🌇 to 19.11.2015 0,00 EUR
Contract	
Contract name	Fast food restaurant at Mall
Contract Conclusion	31.03.2017
2nd Signature	
Main Contract	
Old contract	
Tenancy law	German tenancy law
Industry	03 Real Estate
Contract Currency	EUR

Figure 7-4. Commercial lease out: General Data with Fast Entry tab

6. Click Partners (Figure 7-5).

REC Commercial lease-out <new></new>	Create: Partners
수 수 🎾 🗅 🔁 명 🏠 🕴 🗿 🔂 🥔	0 🗅 🝜 🖁 💆 💷 🚹
Real Estate Contract <new></new>	Fast food restaurant at Mal
General Data with Fast Entry Partners Ter	m Objects Differing Measurements
Display All Periods Master Data Arccount	

Figure 7-5. Commercial lease out: Partners tab



8. Double-click Master Tenant w.Cust.Acct . This will bring up the Business Partner Search screen (Figure 7-6).

🖙 Business Partner Sea	arch	×
Partner, General		
Name1/LastName]
Name2/FirstName		Ĩ
Search Term 1		
Search Term 2		
BusinessPartner		
✓ Phonetic Search for	Name Fields Active	
Address Data		
Street		
House Number		
Postal Code		
City		
Country		
Create in Role	Master Tenant w.Cust.Acct	-
		× ×

Figure 7-6. Business Partner Search screen

9. Click . It will provide list of all partners (Figure 7-7).

CHAPTER 7 SALES-BASED CONTRACTS

Restrict Value Range (1) 2 Entr Restrictions	ies round				
		V			
Name 1/last name	Name 2/First n	Search term 1	Search ter	Partner	
				010 0101	
SAMURAI FIREWORKS LTD		SAMURAI FIREWORKS LT		OAF-CU-04	

Figure 7-7. Business partner search result

 10. Double-clicking

 SAMURAI FIREWORKS LTD
 SAMURAI FIREWORKS LT

 will add the partner (Figure 7-8).

R	C Commercia	al lease-o	ut <new> Create: Partners</new>	
+	-> 1 🎾 🗋 🔁	et 🙆 🕴	5) G- 49 G- 2-47 A- 2 - 10 H	
	Estate Contract General Data with F	<new></new>	Fast food restaurant at Mail	Posting Parameters
	[Unlimited]	asc Enuy Pr		Posting Parameters
	🔂 - 🔂 🖓 Ma	ster Data 68 A	Account 🕅 🔀 🎟 🖌 🔳	
	Det Name of BP Ro Master Tenant		Partner Name/address OAF-CU-04 Samurai Fireworks LTD / / MINATO-KU 107-0052	Strt rel. End relat.
•				
	BP Role	TR0600	Master Tenant w.Cust.A	
	BusinessPartner	OAF-CU-04	Samurai Fireworks LTD / / MINATO-KU 107-0052	
	Start reitnship		End of relat.	
	Address Type			
	Customer	34	Samurai Fireworks LTD / / MINATO-KU 107-0052	

Figure 7-8. Commercial Lease-Out Create: Partners screen

- 11. Click Term
- **12.** As required, complete and review the following fields, as shown in Table 7-3 and Figure 7-9.

 Table 7-3.
 Commercial Lease-Out: Create Term

Field Name	Description	Value
Contract start date	Description of the contract start date	01.01.2015
1st Contract End	Description of the first contract end	31.03.2017

		-	i i i i i i i i i i i i i i i i i i i				
Estat	e Contract	Ŀ	NEW>		Fast food r	estaurant at Mal	
Gen	eral Data with	Fast	Entry Partners Ter	m (0	bjects Differ	ing Measurements	Posting Parameter
-							
B	· 🕞 🛗	R					
Det	TermCateg.	No.	Name of Term	Memo			
•	Term		01.01.2015 - 31.03.2017				
	Notice		<no notice="" of="" period=""></no>				
Terr	n: 01.01.201	5 - 3	1.03.2017			•	•
Terr		5 - 3 Mer				•	•
	Term	Mer	no		Saw Fram		•
Cor	Term o	Mer	01.01.2015		Flow From	01.01.2015	•
Cor 1st	Term ontract start da Contract End	Mer	01.01.2015 31.03.2017		Flow From Posting From		•
Cor 1st Ter	Term on ntract start da Contract End m in months	Mer	01.01.2015 31.03.2017 27				
Cor 1st Ter	Term ontract start da Contract End	Mer	01.01.2015 31.03.2017				•
Cor 1st Ter End	Term ontract start da Contract End m in months d of Term	Mer ite	01.01.2015 31.03.2017 27				•
Cor 1st Ter End	Term on ntract start da Contract End m in months	Mer ite	01.01.2015 31.03.2017 27				

Figure 7-9. Commercial Lease-Out Create: Term screen

13. Click Objects (Figure 7-10).

REC Commercial lease-out <new> Create: Objects</new>										
⇐ ⇒ 🎾 🗅 🔁 😚 🏄 🗿 🔂 🥥 🖓 🖴 🦪 🛤 🚊 💷 🖿										
Real Estate Contract KNEW> Image: Contract KNEW> General Data with Fast Entry Partners Term Objects Differing Measurements Posting Parameters										
► [Display All Periods]										
B Object Hierarchy	Object Type	Name	From	То	Obj. From	Object To	Info.	Grp No.	Memo	
• 🖾 REC <new></new>			_							

Figure 7-10. Commercial Lease-Out Create: Objects screen

14. Click . This will show a list of object types (Figure 7-11).

⊡oł	oject Type (1)	2 Entries Found
_/	Restrictions	
		∇
~	図 (13) (13) [2]	
Ty.	Object Type	a
	🚱 Rental Objec	
OPR	🎨 Object Group	0

Figure 7-11. Commercial Lease-Out Create: Objects—search object type

15. Double-clicking Rental Object will bring up the rental object search screen (Figure 7-12).

CHAPTER 7 SALES-BASED CONTRACTS

🔄 Restrict Value Rang	e (1)	
General Rental O	bjects Rental Objects for Building	Rental Objects for
Company Code	E [0001]	
Business Entity		
Rental Object		
Rental Object Type		
Usage Type		
Building		
Land		
Initial usage		
Floor shrt nme		
Location on Floor		
RU no. old		
Person Responsible		
Maximum No. of Hits	500	

Figure 7-12. Commercial Lease-Out Create: Objects—search rental objects

16. Click **16.** Click Figure 7-13).

Ge	neral R	enta	l Object	S	Ren	tal Object	cts for	Building	Y	Ren	tal Objects f	or Property	
		_						<u>ν</u>					
V 🗵		8	¥ 😰										
	CoCd	BE	Rntl	RO Ty	UT	Buildi	La	Init.usage	F	L	RU no	Rental Object N	Person F
57	0001	1	1	RU	0004	2		00.00.0000	1	11		departmental store	

Figure 7-13. Commercial Lease-Out Create: Objects—search result
For a retail business, in the object assignment we can create an object group first and then add the rental objects and assign them to this object group. Only rental objects belonging to the same territory can be assigned to an object group, and only to one object group per contract. For example, Fast Food mall has counters in many regions In this case, contracts will have to be created, one per region, with all the rental objects assigned to one object group in the contract.

 CoCd BE Rntl.
 RO Ty...

 17. Select
 0001 1 1 RU

18.	Clicking	will add the selected object (Figure	7-14)
-----	----------	--------------------------------------	-------

• -> 1 🌮 🗅 🔁 🖻					
	1 🕫 🕴 🛐 😳 🧠 👘 🗗				
al Estate Contract General Data with Fast B	IEW> Entry Partners / Term / O	Lease out of depart		Posting Paramete	ers Conditions
Unlimited]	• • • • • • • • • • • • • • • • • • •) 8802 2 () () ()			
B Object Hierarchy	Object Type Name	From To Obj. From	Object To	Info. Grp No.	Memo
	RO departmental store		31.03.2017		
RO 0001/1/1 (departm	ental store) [[Unlimited]]		V A V		
Object Measure	ements Conditions Conditions	emo			
Object Type	Rental Object	Grou	p Number	_	
Reinship Valid From	Valid To	. ✓ In	formational		
Object					
	RO 0001/1/1				
Object ID					
Object ID Name	departmental store				

Figure 7-14. Commercial Lease-out Create: Objects, after adding the rental objects



	4	1 1 D B B 6 1 A 1	0	1 🔂 🥝 1 (
I Es	stat	e Contract <new></new>				E Fast food restaurant at Mall
G	Sene	eral Data with Fast Entry	Part	tners Term	n Obj	ects Differing Measurements Posting Parameters Condition
	3					
0		Term Category Name	1	Term	Memo	
	•	Postings		<standard></standard>		
		Frequency		Chan daud.		
		riequency		<standard></standard>		
		Organizational Assignment		<standard></standard>		
P		Organizational Assignment		<standard></standard>		▼]▲▼
P		Organizational Assignment				▼]▲▼
٢	/	Organizational Assignment ings: <standard> Postings</standard>	5 Y	<standard></standard>		
[Nun	Organizational Assignment ings: <standard> Postings</standard>		<standard></standard>		-]_(
[Nun	Organizational Assignment ings: <standard> Postings</standard>	5 Y	<standard></standard>	nt Block	
1	Nun Payı	Organizational Assignment ings: <standard> Postings</standard>	5 Y	<standard></standard>		
1 5 5	Nun Payi Payi	Organizational Assignment ings: <standard> Postings Conditions mber <</standard>	5 Y	<standard></standard>	nt Block	
	Nun Payı Payı Hou	Organizational Assignment ings: <standard> Postings Conditions mber ent Method A ment Terms 0001</standard>	5 Y	<standard></standard>	nt Block	

Figure 7-15. Commercial Lease-out Create: Posting Parameters

- **Frequency**: If the frequency of payment is monthly, choose the option "1 Month" in the frequency field. The frequency needs to be selected from the drop-down menu.
- **Frequency Start**: Choose the appropriate frequency start from the options available in the drop-down menu. In the case of monthly frequency, you can choose the option "Start of condition" as one of the options, in which case the frequency of payments will start from the date of the start of condition.
- **Pro Rata:** If the agreement starts on any date within the month—say, the 16th or so—and the agreement says to first make the payment for the first 14 days in the current month and then pay on a monthly basis, the pro rata option "contract or rental object start of end date" needs to be chosen.
- **Amount Reference**: Choose the option from the drop-down entries for monthly, yearly, or cyclical amounts, as the case may be.
- **Calc. Method**: Whether the calculation of the amount is based on an exact number of days in a month or a fixed 30 days in a month. Choose the appropriate option as the case may be.
- **Payment Form**: Whether the payment is received at the beginning of the month for the month or at the end of the month. Choose the option "In Advance" or "In Arrears," respectively, as the case may be.



REC Commercia	lease-out <	NEW> Create: Co	nditions			
Þ 🔿 1 🌮 🗅 🔁 🕯	8 6 🕴 🔕 🛛	B 🥝 🕼 🖨 🍕 🖁	1 <u>2</u> 💷 🚹			
eal Estate Contract	<new></new>	Fas	t food restaurant at Mail			
General Data with Fa	ast Entry Partner	s Term Objects	Differing Measurement	s Posting Parameters	Conditions	Adjustment
[Unlimited]			🔛 Key Date 19.11.	2015		
	<u>ය</u> , බු මං	play 🖓 Simulate	Constant of the local data and t	Concernence and Concernence an		
Det PsS Purp.		T. Calculation Object Clo		Valid From Valid to	Σ Per Month	Σ Tax -Mon

Figure 7-16. Commercial Lease-out Create: Conditions screen

21. Click to add condition type (Figure 7-17).

0	Тур	Condition Type Name
ŧ.	50	
-		Sales-Based Rent
	55	Advertising Fees - Sales-Based
_	0	Basic Rent
	51	Minimum Sales-Based Rent
- 10		Office Basic Rent
		Warehouse basic rent
		Store Basic Rent
- 6	52	Sales-Based Rent AP
- 2	20	Maintenance cost
2	21	Heating exp.adv.pmnt
	22	Service charge OC/HE Adv.Pmnt
2	23	Elevator advance payment
3	30	Operating costs flat rate
3	31	Heating expenses flat rate
3	32	SC flat rate (OC + HE)
1	33	Elevator flat rate
- 6	56	Min. Sales-Based Advert. Fees
1	57	AP Sales-Based Advert. Fees
1	15	Parking space/garage rent
1	53	Maximum Sales-Based Rent
	58	Max. Sales-Based Advert. Fees

Figure 7-17. Commercial Lease-out Create: Conditions—condition type search

22. Select 60 Sales-Based Rent.
23. Clicking will add the selected condition type, as shown in Figure 7-18.

	i 🌆 🕴 🗿 🕞 🄇							
al Estate Contract	(NEW>	<u>F</u>	Fast food restaurant	at Mal				
General Data with Fast	Entry Partners	Term Objects	Differing Measu	rements	Posting Para	ameters	Conditions	Adjustme
01.01.2015-31.03.20	.7		Key Date	19.11.201	5			
	Display	Simulate			1			
Det PsS Purp.	Name Condition Type	the second s				Valid to 1	Per Month	Σ Tax -Month
		Construction of the Constr						
Included in the second include production	t Sales-Based Rent	RO 0001/1/1	Sales-Based Rent	0,000000	01.01.2015		0,00	0,00
Included in the second include production		RO 0001/1/1	Sales-Based Rent	0,000000	01.01.2015		0,00	
Actual Ren Cales-Based Rent - 00	t Sales-Based Rent	Y O Distribution	Y • Merno	***				
Actual Ren Cales-Based Rent - 00	t Sales-Based Rent	Y O Distribution		***	1.01.2015			
Actual Ren Sales-Based Rent - 000 Condition Te	t Sales-Based Rent	Y O Distribution	Y • Merno	***				
Actual Ren Actual Ren Sales-Based Rent - 000 Condition Te Calculation Obj.	t Sales-Based Rent	C Distribution	Y • Merno	•	1			

Figure 7-18. Commercial Lease-out Create: Conditions, after adding condition type

24. Click Sales-Based Rent Agreement (Figure 7-19).

REC <new> Create: Sales-Ba</new>	sed Rent Agreement			
🗢 🔶 🎾 🗋 🔁 🕫 🕫 🕇 🛍 😚	🕹 🖉 🖨 可 🖪 🚨 🕼 😫			
eal Estate Contract	Fast food restaurant at Mail			
General Data with Fast Entry Partners	Term Objects Differing Measurements	Posting Parameters	Conditions Adjustment	Sales-Based Rent Agreement
Det TermCateg. No. Name of Term Me	mo			

Figure 7-19. Create: Sales-Based Rent Agreement screen

25. Click (Figure 7-20).

Fast Entry for New Sales Rule				
Sales Rule Name	SR 0010 for			
Valid From				
Type of Sales Rule	Sales-Based Rent			
Sales Type				
Reporting Frequency				
Frequency Start				
Frequency	In 0 Month(s) 🖺			
_				
Settlement Frequence	-y			
Bales Grading				
Sales Grading Type	No Sales Grading Agreement			
% rate				
✓ 6ª ×				

Figure 7-20. Fast Entry for New Sales Rule screen

26. As required, complete and review the following fields, as shown in Table 7-4.

Table 7-4. Create: Sales-Based Rent Agreement, Fast Entry for New Sales Rule

Field Name	Description	Value
Valid From	Description of valid from date	01.01.2015



🖙 Sales Ty	pe (1) 5 Entries found	
🖌 🖂 🕻) (4) (4) (4) (4) (4) (4)	
Sales Ty	SType Name	U
	Complete Assortment	
M01	Beer Sales	HL
S01	Foodstuffs	
S02	Clothing	
S03	Tobacco Products	

Figure 7-21. Fast Entry for New Sales Rule, sales type search

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- 28. Double-click M01 Beer Sales HL
- **29.** As required, complete and review the following fields, as shown in Table 7-5 and Figure 7-22.

Table 7-5. Create: Sales-Based Rent Agreement, Fast Entry for NewSales Rule, Reporting Frequency Section

Field Name	Description	Value
Frequency	Description of frequency	3

🔄 Fast Entry for New Sales Rule				
Sales Rule Name	SR 00	010 for Beer Sales		
Valid From	01.01	1.2015		
Type of Sales Rule		Sales-Based Rent		
Sales Type	M01	Beer Sales		
Reporting Frequency	1			
Frequency Start	01.01.	.2015		
Frequency	3	In Month(s) -		
Settlement Frequen	cy			

Figure 7-22. Fast Entry for New Sales Rule, Reporting Frequency section

e <mark>7-23</mark>).
,

☞ Fast Entry for New Sales Rule					
Sales Rule Name	0010 for Beer Sales				
Valid From 01.	01.2015				
Type of Sales Rule	Sales-Based Rent				
Sales Type M01	Beer Sales				
Reporting Frequency					
Frequency Start 01.0	1.2015				
Frequency 3	In Month(s) 🔻				
Settlement Frequency					
Settlement Frequency Sales Grading					
Sales Grading Type	No Sales Grading Agreement				

Figure 7-23. Fast Entry for New Sales Rule, Sales Grading section

31. As required, complete and review the following fields, as shown in Table 7-6.

Table 7-6. Create: Sales-Based Rent Agreement, Fast Entry for New Sales Rule, Sales Grading Section

Field Name	Description	Value
Sales Grading Type	Description of sales grading type	Sales Grading Agreement (01)

32. As required, complete and review the following fields, as shown in Table 7-7 and Figure 7-24.

Table 7-7. Create: Sales-Based Rent Agreement, Fast Entry for New Sales Rule, Sales GradingSection, First Combination

Field Name	Description	Value
Min. Rent	Description of minimum rent	10000
Sales From	Description of sales from	100000

Sale	es Rul	e Nar	ne	SR 0	010 f	or Beer Sa	les	
Vali	Valid From 01.0				1.201	5		
Type of Sales Rule				Sa	les-Based Re	nt		
Sales Type M01				M01	Be	er Sales		
	Rep	ortin	Frequency	1				
_	Free	quen	cy Start	01.01	.2015			
	Free	quen	cy (3	In M	Ionth(s)	-	
		tleme s Gra	ent Frequen ding	cy				
	Sale	es Gra	ding Type		Sales (Grading Agre	ement	•
		P				1		
	B	U	Q.Sales Fr	Q.Sale	s To	Amount	Min. re	
		HL	0		0	0,000000	0,00	

Figure 7-24. Fast Entry for New Sales Rule, Sales Grading section, first combination

33. Click as required, and complete and review the following fields, as shown in Table 7-8 and Figure 7-25.

Table 7-8. Create: Sales-Based Rent Agreement, Fast Entry for New Sales Rule,Sales Grading Section, Second Combination

Field Name	Description	Value
Sales To	Description of sales to	200000

+ 🎾 🗅 🔁	et 🕹 🕇 🔕 🔂 🤆	004	8 8 8						
Estate Contract	<new></new>		Fast food	restaurant at Mal					
General Data with F	ast Entry Partners	Term Obje	cts Differ	ring Measurement	s Posting Param	neters Condition	Adjustment	Sales-Based Rent A	greement
Reporting Rule	10 RR 0010 for Beer S	ales 🗆							
Sales Rule	10 SR 0010 for Beer S								
	0010 for Beer Sales	No. Vo.		•					
	0010 for Beer Sales Frequencies Cond	itions Y o M	emo	•					
			emo	•					
Calculation	Frequencies Cond			•					
Calculation	Frequencies Cond	Sales			ew 1				
Calculation Number Valid	Frequencies Cond 10 SR 0010 for Beer From 01.01.2015 Sales-Based Ref	Sales			ew 1				
Calculation Number Vald Sales Rule Type	Frequencies Cond 10 SR 0010 for Beer From 01.01.2015 Sales-Based Ref	Sales			ew 1				
Calculation Number Valid Sales Rule Type Reporting Rule	Frequencies * Cond 10 SR 0010 for Beer From 01.01.2015 Sales-Based Ri For Cakulation Vetals Create Name of Te	Sales	~		ew 1	ng Type Gra	duated		

Figure 7-25. Commercial Lease-out Create: Sales-Based Rent Agreement screen

34. As required, complete and review the following fields, as shown in Table 7-9.

Table 7-9. Commercial Lease-out Create: Sales-Based Rent Agreement,Reporting Rule for Calculation

Field Name	Description	Value
Sales From	Description of sales from	0.00
Sales To	Description of the sales to	200000
% Rent	Description of the % rent	10

Sales Grading Type Sales Grading Agreement					ment	•	
3	U	Q.Sales Fr	Q.Sales To	Amount	Min. rent		
	HL	0	100.000	000000	10.000,0		
1	HL	10.001	200.000	150000	0,00		
	HL	200.001	10.000.00	400000	0,00		

35. Click on "Graduated" and click (Figure 7-26).

Figure 7-26. Commercial Lease-out Create: Sales-Based Rent Agreement, Sales Grading Agreement screen



39. As required, complete and review the following fields, as shown in Table 7-10 and Figure 7-27.

Table 7-10. Commercial Lease-out Create: Conditions, Terms

Field Name	Description	Value
Sales Rule	Description of sales rule	10

	i i i i i 🚯 🔂	I 🖓 🗋	4 8 2 🗆	8				
al Estate Contract	(NEW>		Fast food restaur	ant at Mal				
General Data with Fas	Entry Partners	Term Ob	jects Differing Me	asurements	Posting Para	ameters	Conditions	Adjustme
01.01.2015-31.03.20	17	*	Key Dat	e 19.11.201	5			
	Display							
Det PsS Purp.			bject CalcFormulaNar			Valid to	Σ Per Month	Σ Tax -Month
I worked and the second in the second second					01.01.2015	10.0 00	0.00	0.00
Actual Ren	t Sales-Based Rent	RO 0001/1/1	1 Sales-Based Re	nt 0,000000	01.01.2015		0,00	
Actual Ren	t Sales-Based Rent	RO 0001/1/	Sales-Based Re	nt 0,000000	01.01.2013		• 0,00	
Sales-Based Rent - 00 Condition Te		Y o Distrib	ution Y O Memo		J			
Sales-Based Rent - 00 Condition Te Calculation Obj.	01/1/1 - 01.01.2015	Y o Distrib						
3 Sales-Based Rent - 00 Condition Te	01/1/1 - 01.01.2015 rms Calculation R0 0001/1/1	d v	ution Y O Memo	•) 124			

Figure 7-27. Commercial Lease-out Create: Conditions screen

40.	Click	Sales-Based Rent Agreement	(Figure 7-28 and Figure 7-29).
-----	-------	----------------------------	--------------------------------

Erta	te Contract	NEW	N		Ch Cart	food restaurant at Mal					
_	eral Data with Fa	1		s Term		Differing Measurements	Posting Paran	nators Co	nditions	Adjustment	Sales-Based Rent Agreem
Gen	ierai Data with Pa	ISC ETTU	ry Parulei	s i reim i	objects [Differing measurements	Posting Paran	necers Co	iuluons [Aujuschenc	Sales-based Kent Agreen
	1										
	Reporting Rule		RR 0010 for E								
	Sales Rule	10	SR 0010 for B	leer Sales							
				-							
Rep	orting Rule (10):	RR 00	10 for Beer S	ales		**	•				
Rep		_			1	•	-				
Rep	orting Rule (10): Reporting Rule	_)10 for Beer S les Reports	ales		- -	•				
Rep		_				• _	•				
-		Sal					•				
-	Reporting Rule es to Be Reporte	Sal	les Reports Sales	○ Merno		-	-				
-	Reporting Rule es to Be Reporte	Sal	les Reports Sales			-	•				
Sal	Reporting Rule es to Be Reporte	sal ed	Sales	• Merno		•		t QuantSales	StatOSales	Change Sal	
-	Reporting Rule es to Be Reporte	Saled Due	Sales	• Merno		▼] ro Sales Sales ID	Reportd On Uni				
Sal	Reporting Rule es to Be Reporte Due Date 31.03.2015	sal ed Due	Sales	• Memo		To Sales Sales ID Regular Sales IB	Reportd On Unit	0	0	35	
Sal	Reporting Rule es to Be Reporte	sal ed Due	Sales	• Merno		▼] ro Sales Sales ID	Reportd On Uni				
Sal	Reporting Rule es to Be Reporte Due Date 31.03.2015	Sal ed Due Q	Sales	• Memo		To Sales Sales ID Regular Sales IB	Reportd On Unit	0	0	35	

Figure 7-28. Commercial Lease-out Create: Sales-Based Rent Agreement, Sales Reports tab

P	. REC 00	01/	7 Display	: Sales-Ba	sed Ren	t Agre	emen	t						
+	÷ 🎾 🗅 🖣	b 🕫	6 1 0	0 🖗 🛷 🛛	004	<u></u>								
Real E	state Contract	0	001/7		6	Fast food	i restaura	nt at Mal						
	Seneral Data wit	h Fast	Entry Par	tners Terr	n Object	s Diff	ering Mea	surements	Postin	Parameters	Conditions	Adjustmen	t Sales-Based R	ent Agreement
	Reporting R Sales Rule		0 RR 0010 fr 0 SR 0010 fr											
	Reporting Rule ()	_	R 0010 for Be					•	•					
	Number			0 for Beer Sales										
	Valid		From 01.01.2			•		/ 🖸 Ne	w î					
	Sales Type			Sales			_							
	Statist. Only			/Net Sales	Net S	ales	*							
	What Sales			Freq.Start	Tolerance	Tol.Unit	Calendar	FactoryCal	Excl.Start	Excl.End				
	Sales	3	Month(s)	01.01.2015	0	۵								
	Certified Sales Planned Sales		Month(s)		0	ŭ								
	Planned Sales		Month(s)		0	ũ								
• •														
🖌 Re	al Estate Contra	ct 000	1/7 was creat	ed						AP				

Figure 7-29. Lease-out contract created



46. You have completed this transaction.

Result

Real estate contract created successfully.

Collective Entry of Sales Reports

Use this procedure to enter sales figures into the contract so that a sales-based settlement can be run.

Trigger

Perform this procedure monthly, quarterly, or yearly based on terms of contract with customer.

Prerequisites

The following are the prerequisites for carrying out the collective entry of sales reports:

• Real estate contract needs to be created

Menu Path

SAP Easy Access Menu ➤ Flexible Real Estate Management ➤ Sales-Based Settlement ➤ Sales Reports ➤ Enter/Change Sales Reports

Transaction Code

RESRRP

Procedure

Follow these steps to carry out of the collective entry of sales reports:

1. Start the transaction using either the menu path or the transaction code (Figure 7-30).

Collective Entry of Sal	les Reports		
🕒 🕱 😨 Selection via Sets			
Contract Selection			
Company Code	0001	to	۵
Contract	7	to	9
Contract Type		to	\$ \$ \$
BE for Contract		to	۵
Partner Selection Active	Partner		
Object Selection Active	🕅 Object		
Period/key date			
Contract Valdity		to	
Sales Type		to	۶
Sales to Be Reported	Sales	•	
Type of Report	Quantitative Sales	•	
Selection	Sales Reports Due	•	
Sales To	17.06.2016		
Consider Inactive Contracts			

Figure 7-30. Collective Entry of Sales Reports screen

2. Clicking will display the sales reports due wherein sales figures need to be entered (Figure 7-31).

5	ales R	eports													
			7 2 .	CE	100										
B	_	Report from	Report To		_	QuantSales	Unit	Reportd On	Zero Sales	RepRuleNo.	SType Name	Due Date	Sales ID	StatQSales	Change Sal
	7	01.04.2016	30.04.2016			0	HL		0	10	Beer Sales	30.04.2016	Regular Sales @		34
	7	01.05.2016	31.05.2016			0	HL.			10	Beer Sales	31.05.2016	Regular Sales 🚊	0	30

Figure 7-31. Sales reports due

3. Enter the sales figures (Figure 7-32).

5	ales Re	eports													
			7												
	Contract	Report from	Report To	Due	Version	QuantSales	Unit	Reportd On	Zero Sales	RepRuleNo.	SType Name	Due Date	Sales ID	StatQSales	Change Sal
	7	01.04.2016	30.04.2016	•		5.000	HL.			10	Beer Sales	30.04.2016	Regular Sales 🛔	0	×
	7	01.05.2016	31.05.2016	•		8.000	HL			10	Beer Sales	31.05.2016	Regular Sales 🗈	0	×

Figure 7-32. Sales Reports screen after entering the sales figures

Result

We have entered the sales figures and are ready to run the sales-based rent settlement.

Sales-Based Rent Settlements

Use this procedure to post rent receivables dependent on sales. The settlement process will calculate rent receivables due from the customer and post a financial document debiting customer and crediting the income account.

Trigger

Perform this procedure monthly, quarterly, or yearly based on terms of contract with customer.

Prerequisites

The following are the prerequisites for carrying out s sales-based rent settlement:

- Real estate contract needs to be created
- Sales figures need to be reported

Menu Path

 $\mathsf{SAP}\,\mathsf{Easy}\,\mathsf{Access}\,\mathsf{Menu}\succ\mathsf{Flexible}\,\mathsf{Real}\,\mathsf{Estate}\,\mathsf{Management}\succ\mathsf{Sales}\mathsf{-}\mathsf{Based}\,\mathsf{Settlement}\succ\mathsf{Settlement}$

Transaction Code

RESRSE

Procedure

Follow these steps to carry out a sales-based rent settlement:

1. Start the transaction using either the menu path or the transaction code (Figure 7-33).

Sales-Based Rent Sett	lement		
🕒 📜 🔁 Selection via Sets			
Company Code Contract Contract Type BE for Contract Partner Selection Active Object Selection Active	0001 7 COO1 RT Partner RT Object	to to to to	0 0 0 0
Period/key date			
Contract Validity		to	
Filter			
Status Selection Active Person Responsible	Status	to	\$
Settlement			
Activity	Create New Settlen	nent	-
Title	Beer Sales		
Title Settlement Method	Beer Sales Simulate		•
			*
Settlement Method	Simulate	ctual AP	

Figure 7-33. Sales-Based Rent Settlement screen

2. As required, complete and review the following fields, as shown in Table 7-11 and Figure 7-34.

Field Name	Description	Value
Contract Number	Description of the contract number	0001/7
Title	Description of the title	Beer sales
Settlement Method	Description of settlement method	Execute (EX)
Settlement Step	Description of settlement step	Determination of Contracts (01)



Figure 7-34. Sales-Based Rent Settlement screen, Settlement section

3. Clicking will display the result (Figure 7-35).

Sta	atus of All Sales-Based Settlements				
Na	ime	Status Tex	xt	Status	3
De	etermination of Contracts	No Errors			
Cal	lculation of Sales-Based Rent	Not Yet St	tarted	\diamond	
Pro	ocessing of Sales-Based Rents	Not Yet St	tarted	0	
Co	rrespondence	Not Yet St	tarted	\diamond	
Po	sting of Sales-Based Rent in Financial Accounting	Not Yet St	tarted	0	
				×	
				~	
				~	
P 🕀 Rep		Status		•	
Rep Na	ports on Sales-Based Settlements	Status	Status	Text	ort Exist
Rep Na Sta	ports on Sales-Based Settlements	Status	Status Comple	Text ete Rep	ort Exist ata Yet
Rep Na Sta Hie	ports on Sales-Based Settlements me atus per Contract	Status IIII	Status Comple There	Text ete Rep Is No D	
Rep Na Sta Hie	Ports on Sales-Based Settlements me atus per Contract erarchical Representation of Sales-Based Settleme	Status IIII	Status Comple There	Text ete Rep Is No D	ata Yet

Figure 7-35. Sales-Based Rent Settlement screen, Determination of Contracts selected

4. As required, complete and review the following fields, as shown in Table 7-12 and Figure 7-36.

Table 7-12. Sales-Based Rent Settlement, Settlement Section (Settlement Step: Calculation of Sales-Based Rent)

Field Name	Description	Value
Settlement Step	Description of settlement step	Calculation of Sales-Based Rent (02)

Sales-Based Rent Settlen	nent
🕀 🧵 🖻 Selection via Sets	
Dynamic selections (Shift+F4)	
Period/key date	
Contract Validity	to
Filter	
Status Selection Active	🔁 Status
Person Responsible	to 😒
Settlement	
Activity	Create New Settlement
Title	Beer Sales
Settlement Method	Execute 💌
Settlement Type	Standard 🗸
Settlement Schema	Settlement Using Actual AP
Settlement Step	02 Calculation of Sales-Based Rent
Do Not Continue	
Selection of Sales Rule Parameter	ers
Term Category	Sales Rule
Type of Sales Rule	to 🖻
Sales Type	M01 to 🕏

Figure 7-36. Sales-Based Rent Settlement screen, Settlement Step: Calculation of Sales-Based Rent completed

5. Clicking will display the result (Figure 7-37).

	BBS: Evaluation				
	Status of All Sales-Based Settlements				
	Name	tatus Te	xt	Status	
	Determination of Contracts	lo Errors			
	Calculation of Sales-Based Rent	lo Errors			
	Processing of Sales-Based Rents	lot Yet S	tarted	\diamond	
	Correspondence M	lot Yet S	tarted	\diamond	
	Posting of Sales-Based Rent in Financial Accounting	lot Yet S	tarted	\diamond	
-	🕲 () () () () () () () () () () () () ()				
2	Reports on Sales-Based Settlements				
•		Status	Status	Text	
-	Reports on Sales-Based Settlements	Status		Text ete Repo	rt Exists
	Reports on Sales-Based Settlements Name		Comple		

Figure 7-37. Sales-Based Rent Settlement screen, calculation of sales-based rent completed

6. As required, complete and review the following fields, as shown in Table 7-13 and Figure 7-38.

Table 7-13. Sales-Based Rent Settlement, Settlement Section (Settlement Step: Processing of
Sales-Based Rent)

Field Name	Description	Value
Settlement Step	Description of settlement step	Processing of Sales-Based Rent (03)

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Sales-Based Rent Sett	lement
🕒 📜 壇 Selection via Sets	
Period/key date	
Contract Validity	to
Filter	
✓ Status Selection Active	E Status
Person Responsible	to 😒
Settlement	
Activity	Create New Settlement
Title	Beer Sales
Settlement Method	Execute 💌
Settlement Type	Standard 🔹
Settlement Schema	Settlement Using Actual AP
Settlement Step	03 Processing of Sales-Based Rents
Do Not Continue	
Selection of Sales Rule Para	meters
Term Category	Sales Rule
Type of Sales Rule	to 🔗
Sales Type	M01 to 🗳

Figure 7-38. Sales-Based Rent Settlement screen, Settlement Step: Processing of Sales-Based Rent

7. Clicking will display the result (Figure 7-39).

5	BBS: Evaluation			
_				
•	22 H K =. 1			
	Status of All Sales-Based Settlements			
	Name	Status Te	xt	Status
	Determination of Contracts	No Errors		
	Calculation of Sales-Based Rent	No Errors		
	Processing of Sales-Based Rents	Does Not	Need to Be Executed	8
	Correspondence	Not Yet S	tarted	\diamond
	Posting of Sales-Based Rent in Financial Accounting	Not Yet S	tarted	٥
•				
	Reports on Sales-Based Settlements			
		Status	Status Text	
	Reports on Sales-Based Settlements	Status	Status Text Complete Report Exist	S S
	Reports on Sales-Based Settlements Name			A REAL PROPERTY AND A REAL

Figure 7-39. Sales-Based Rent Settlement, Settlement Step: result of processing of sales-based rent

8. As required, complete and review the following fields, as shown in Table 7-14 and Figure 7-40.

Table 7-14. Sales-Based Rent Settlement, Settlement Section (Posting of Sales-Based Rent in Financial Accounting)

Field Name	Description	Value
Settlement Step	Description of settlement step	Posting of Sales-Based Rent in Financial Accounting (BC06)

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Sales-Based Rent Settl	lement
🕒 📜 😼 Selection via Sets	
Status Selection Active Person Responsible	to Status
Settlement	
Activity	Create New Settlement
Title	Beer Sales
Settlement Method	Execute 👻
Settlement Type	Standard 👻
Settlement Schema	Settlement Using Actual AP
Settlement Step	06 Posting of Sales-Based Rent in Financial Accounting
Do Not Continue	
Selection of Sales Rule Parar	meters
Term Category	Sales Rule
Type of Sales Rule	to 🖻
Sales Type	M01 to 🖻
Settle To	

Figure 7-40. Sales-Based Rent Settlement, Settlement Step: Posting of Sales-Based Rent in Financial Accounting

9. Click **Parameters**. As required, complete and review the following fields, as shown in Table 7-15.

Table 7-15. Sales-Based Rent Settlement, Parameters Tab

Field Name	Description	Value
Posting Date	Description of posting date	19.11.2015
Document Date	Description of document date	19.11.2015

10. Clicking will display the result (Figure 7-41).

Settlement ID generated 000000052015RESR

SBS: Evaluation

Stat
4
-

Figure 7-41. Sales-Based Rent Settlement, SBS: Evaluation screen

- 11. Click ✓ OK .
- 12. Double-clicking Complete Report Exists will display the posting log (Figure 7-42).

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SB	S:	Pos	ting	Log						3	0.000,00-				AD AD						hier dared	279000	Dvts	put tee		Party Unope		_				
6	8	Q	8	8 8			9 1	* •	000	1 1	000000052 1.400,00 0.000,00- 1.400,00-	CR 1			8790 43 43	+ (1)	1.04.2115	-31.14.20	15: Recval	. from 1	2015 19.11 Ales-Dased Sales-Dased	140000	000 8E 1	00000945am	ITAL FLIT	occospolsker works LTD Barty Tampe	6009					
▲		Tran SG		ference Amount				Log.Sy ate Bu		1 1	000000052	C 8.			8790 43 43 44	• 01	1.07.2018	-31.19.20	18: Recvisi	. from 1	2018 19-11 Males Dased	340000	000 82.1	000003454mi	IPAL FLIT	oonengerikker werke 173 Darty Usage	4005		ferendo: Wendo:		1	FTyp Ref. 1
000	AC			000005				urin -		RFB	1										2015 1						11 AB				ESR 1	0000003
	1			00,00			11.2	015	A:												les-Bales-Ba						4Samura e from				a Dar	6005
	3			00,00-					A:			- ,			3-31.	03.4	0101	Neuvi		un a	ites-b		175000			tput ta		Intro	-rare)	, usay	e nei	10 0003
000	AC	I	000	000005	20150	00000	002		_	RFBC	,	1	beer	sale	s for	3 9	uarte	ers of	01 30	.11.3	2015 1	9.11.	2015 1	9.11.2	2015	2015	11 AB	00	000000	2015R	ESR 1	00000004
	1		11.60	00,00	EUR	19.	11.2	015	A	1		. (01.04	.201	5-30.	06.2	015:	Recvt	l. fr	om Si	ales-Be	ased	140000)	00	0000003	4Samura	1 F1:	reworks	LTD		6005
	2		10.00	00,00-	EUR				A	1		. (01.04	.201	5-30.	06.2	015:	Recvt	l. fr	om Si	les-Be	ased	841000)	RE	Revenu	e from	Third	-Party	Usag	e Rer	t 6005
	3	2	1.60	00,00-	EUR				A	1		-											175000)	Ou	tput ta	х					
000	AC	I	000	000005	20150	00000	003			RFBC	1	1	beer	sale	s for	3 9	uarte	ers of	01 30	.11	2015 1	9.11.	2015 1	9.11.2	2015	2015	11 AB	00	000000	2015R	ESR 1	00000005
	1		17.40	00,00	EUR	19.	11.2	015	A.	1		. (01.07	.201	5-30.	09.2	015:	Recvt	l. fr	om Si	ales-Ba	ased	140000)	00	0000003	4Samura	i Fis	reworks	LTD		6005
	2		15.00	00,00-	EUR				A	1		. (01.07	.201	5-30.	09.2	015:	Recvt	l. fr	om Se	ales-Be	ased	841000)	RE	Revenu	e from	Third	-Party	Usag	e Rer	t 6005
	3		2.40	00,00-	EUR				A	1													175000)	Ou	tput ta	x					

Figure 7-42. Sales-Based Rent Settlement, SBS: Posting Log

13. Clicking 100000003 will provide a list of documents in accounting (Figure 7-43).

SB	S: Posting Log		
6	8 Q А 7 Z Q 7 III - II - I - I - I - I		
\$		ncel:ObK Reason Comp Reference AccF NF Inv. Ref. BlCat Rep. 1 Date Object ID Clearing Assignment - FM FBk PayT House Bk	
000	19.11.2015 19.11.2015 2015 11 AB 000000032015RESE 100000003 -Based 140000 000000034Smural Fireworks LTD 6005 -Based 841000 RE Revenue from Third-Party Usage Rent 6005 175000 Output tax	C* Lat of Documents in Accounting Documents in Accounting Doc. Number Object type text Ld	GIRO
000	19.11.2015 19.11.2015 2015 11 AB 000000052015RESP 1000000004 -Based 140000 0000000034Samurai Fireworks LTD 6005 -Based 541000 RE Revenue from Third-Party Usage Rent 6005 175000 Output tax 00tput tax 00tput tax 00tput tax	010000003 Accounting document 010000003 Controlling Document 0000000520 RE Document	GIRO
000	19.11.2015 19.11.2015 2015 11 AB 000000052015RESP 1000000005 -Based 140000 0000000034Smural Fireworks LTD 6005 -Based 841000 RE Revenue from Third-Party Usage Rent 6005 175000 Output tax	DEBA	GIRO

Figure 7-43. List of Documents in Accounting (10000003)

14. Double-click "10000003: Accounting document" to get the document overview (Figure 7-44).

99	_			iment: Data Entry					
°	P (3 4	Taxes	Display Currency	General Ledger View	'			
Data	Entry	/ View	r.						
Docu	ument	t Num	ber 1000000	03 Company Code	0001	Fiscal Ye	ar		2015
Document Date 30.11.20				015 Posting Date	19.11.2015	Period			11
Refe	rence		0000000	52015RESR Cross-Comp.No).				
Curre	ency		EUR	Texts exist		Ledger (Group		
Q	A	7	HR F.) 🖀 , 🧏 , I 🖨 🙆	. 🖪 . 🖽 . 🛙				
C*	Itm	PK S	Account	Description		Amount	Curr.	Tx	Trs
00	1	01	34	Samurai Fireworks LTD	1	1.600,00	EUR	Α	
	2	50	841000	Rental rev. 3rd pty	1	0.000,00-	EUR	Α	
	3	50	175000	Output tax		1.600,00-	EUR	Α	Μ.,

Figure 7-44. Document overview (10000003)

15. Clicking will take you back to the list of documents in accounting (Figure 7-45). Double-click "10000003: Controlling document" (Figure 7-46).

SB	: Posting Log	
6	3 Q A 7 3 Q 7 ⊞ 4 4 E H + + H	
۵		ncel:GDW Reason Comp Reference AccF NF Inv. Ref. BlCat Rep. Date IR date _ ECS Envir. Doc.no. Date Chject ID Clearing Assignment _ FW FBk PayT House Bk Acct ID BnkT Dunn.Key Block DunnDate
000	19.11.2015 19.11.2015 2015 11 AB 000000032015RESE 1000000030 Based 140000 0000000343mmrat Fireworks LTD 6005 Based 841000 RE Revenue from Third-Party Usage Rent 6005 175000 Output tax	C Lat of Documents in Accounting Doc. Number Object type text Ld
000	19.11.2015 19.11.2015 2015 11 AB 00000005015RESE 100000004 Based 04000000345amurat Fireworks LTD 6005 Based 841000 RE Revenue from Third-Party Usage Rent 6005 175000 Output tax	010000003 Accounting document 010000003 Controlling Document 0000000520 RE Document DEBA GIRD
000	19.11.2015 19.11.2015 2015 11 AB 000000052015RESE 1000000005 -Based 140000 00000000343mmrat Fireworks LTD 6005 -Based 841000 RE Revenue from Third-Party Usage Rent 6005 175000 Output tax	DEBA GIRO

Figure 7-45. List of Documents in Accounting screen: Controlling Document (10000003)

Display Actu	al Cost De	ocuments				
Socument So Master R	ecord 🔝	3747 844		3		
Layout COarea currency Valuation View/Group	1SAP EUR 0	Primary cost posting EUR Legal Valuation				
DocumentNo Doc. Date PRw OTy Object		Header Text object name	Cost Elem.	RI RefDocNo User Name Cost element name	Rev RvD Val/COArea Crcy	Total quantity FUM C Offst.acc
100000003 30.11.201		s for 3 quarters st food restaurant at Mall	841000	R 520 Rental rev. 3rd pty	10.000,00-	E 34

Figure 7-46. Display Actual Cost Documents screen (10000003)

16. Clicking will take you back to the list of documents in accounting (Figure 7-47). Double-click "000000520: RE document" (Figure 7-48).

SB	S: Posting Log		
6	8 9 A 7 8 2 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
۵		Incel:Ob8 Reason Comp Reference Acc8 NF Inv. Ref. Bl Bate Object. ID. Clearing Assignment PK FBk Rau CP List of Documents in Accounting X	
000	19.11.2015 19.11.2015 2015 11 AB 000000052015RESR 100000003 -Based 040000 0000000343murat Fireworks LTD 6005 -Based 841000 RE Revenue from Third-Party Usage Rent 6005 175000 Output tax	Documents in Accounting Doc. Number Object type text Ld	DEBA GIRO
coe	19.11.2015 19.11.2015 2015 11 AB 000000052015RESR 100000004 -Based 040000 00000000343smartai Fireworks LID 6005 -Based 841000 RE Revenue from Third-Party Usage Rent 6005 175000 Output tax	010000003 Accounting document 0100000003 Controlling Document 0000000520 [RE Document]	DEBA GIRO
000	19.11.2015 19.11.2015 2015 11 AB 000000052015RESP 100000005 -Based 140000 0000000034Samrai Fireworks LTD 6005 -Based 841000 RE Revenue from Third-Party Usage Rent 6005 175000 Output tax	C C Separate Original document	DEBA GIRO

Figure 7-47. List of Documents in Accounting screen: RE Document (0000000520)

Dis	play	REL	Docur	nent													
	8	7 7	2	a 77		e		M	•	► H							
Proc	Proc	Accou	nting]	D	Patng	Date	Doc. D	ate	Rev	Entered	SouIntEntr	CoCd	Docur	mentNo	Reva	. Doc.	Year
											Ref. Date						
RESR	REDE	00000	0052015	RESR	19.11.	2015	30.11.	2015			RESRSE	0001	10000	00003			2015
1	OID	11.	500,00	EUR	01.01	.2015	31.03	.2015	REC	0001/7	1	OAF-0	CU-04	6005		P0002	A
2	C	10.	00,00	EUR	01.01	.2015	31.03	.2015	REC	0001/7	1	OAF-0	CU-04	6005		P0002	
3	TC	1.	500,00	EUR													

Figure 7-48. Display RE Document (000000520)

17. Clicking on document number 10000005 will provide a list of documents in accounting (Figure 7-49).

4	Ref. In Item SG	an. Reference Amount			System Tran Bush Tx Tax		ument Header Text	CoCd	Doc. Date Par	G/L		G/L Account				FTyp Ref. D
coe	REACI 1 2 3	00000005 11.600,00 10.000,00- 1.600,00-	EUR	0000001 19.11.2015	RFBU A1 A1 A1 A1	01.0	r sales for 3 quarte 01.2015-31.03.2015: 01.2015-31.03.2015:	Recvbl.	from Sales-Bas	sed 1400	000	000000034	from T	000000052015 Fireworks LTD hird-Party Usa		6005
000	REACI 1 2 3	00000005 11.600,00 10.000,00- 1.600,00-	EUR	0000002 19.11.2015	RFBU A1 A1 A1	D	Elst of Documents in Ac	counti	-	00	5 19.11.20 000 000	000000034	from T	000000052015 Fireworks LTD hird-Party Usa		6005
coe	REACI 1 2 3	00000005 17.400,00 15.000,00- 2.400,00-	EUR	0000003 19.11.2015	RFBO A1 A1 A1 A1	01	Acc. Number Object type 100000005 Accounting 1000000005 Controling (0000000520 RE Docume	document Document		00	19.11.20 000 000	000000034	from T	000000052015 Fireworks LTD hird-Party Usa)	6005

Figure 7-49. List of Documents in Accounting screen (10000005)

18. Double-click "10000005: Accounting document" (Figure 7-50).

1		Dis	play	Doc	ume	nt: L	Data Entry	Vie	w				
ا %	ŝ	1	•	Taxes	åå D	isplay (Currency 🕄	Gene	ral Ledger Vi	ew			
Data E	Intry	Viev	N										
Docun	nent	Nun	nber	100000	005		Company Code		0001	Fiscal Ye	ar		2015
Docun	nent	Date	e	30.11.	2015		Posting Date	19.11.201	5 Period			11	
Refere	ence			000000	052015	RESR	Cross-Comp.No).					
Curren	ncy			EUR			Texts exist			Ledger	Group		
	A	7		87	. 🛛	1.3		. 🖪		F 🚺			
C 1	Itm	PK S	S Acc	count	Des	cription	n			Amount	Curr.	Tx	Trs
00	1	01	34		Sam	urai Fi	reworks LTD			17.400,00	EUR	Α	
	2	50	841	1000	Ren	tal rev	. 3rd pty			15.000,00-	EUR	Α	
	3	50	175	5000	Out	put ta	x	2.400,00					Μ.,

Figure 7-50. Document overview (10000005)

19. Clicking will take you back to the list of documents in accounting (Figure 7-51). Double-click "10000005: Controlling document" (Figure 7-52).

SB	S: Po	osti	ing Log								
•	8 9		AVV	2	12	- EB 4E 4	5 8	H	•	н	Cr List of Documents in Accounting
_											Documents in Accounting
▲	Ref. Itez		n. Reference Amount			Log.Syste Date Bush				cument Heade	Doc. Number Object type text Ld Period Type Reference DocumentNo Co 0100000005 Accounting document count/Customer/Vendor FTyp Ref.
000	REACI	I	00000005				RFBU A1			er sales for .01.2015-31.	
			10.000,00-				A1 A1		• 01	.01.2015-31.	20 enue from Third-Party Usage Rent 6005 tax
000	REACT	I	00000005	20150	00000002		RFBU		be	er sales for	qu 11 AB 000000052015RESR 100000004
	1 2 3		11.600,00 10.000,00- 1.600,00-	EUR			A1 A1 A1			.04.2015-30.	
000	REACI	I	00000005	20150	00000003		RFBU	1	be	er sales for	quarters 0001 30.11.2015 19.11.2015 19.11.2015 2015 11 AB 000000052015RESR 100000005
	1		17.400,00				A1				2015: Recvbl. from Sales-Based 140000 000000034Samurai Fireworks LTD 6005
	2		15.000,00- 2.400,00-				A1 A1		• 01	.07.2015-30.	.2015: Recvbl. from Sales-Based 841000 RE Revenue from Third-Party Usage Rent 6005 175000 Output tax

Figure 7-51. List of Documents in Accounting screen: Controlling Document (10000005)

Document & Master R	ecord 🖪	3747		à		
Layout	1SAP	Primary cost posting				
COarea currency	EUR	EUR				
Valuation View/Group	0	Legal Valuation				
S DocumentNo Doc. Date	Document H	leader Text		RI RefDocNo User Name	Rev RvD	
PRW OTV Object	CO	object name	Cost Elem	. Cost element name	Val/COArea Crcv	Total quantity PUM C Offst.acc

Figure 7-52. Display Actual Cost Documents screen (10000005)

20. Clicking will take you back to the list of documents in accounting (Figure 7-53). Double-click "000000520: RE document" (Figure 7-54).

SB	S: Po	osti	ing Log								EP List of Documents in Accounting	
6	8 9	3	AVV	22		# • •		H	4	• •	Ler Lat of Documents in Accounting	
_											Documents in Accounting	
▲	Ref. Itez		Amount		L Bline Da	og.System te Busk 1					0100000005 Accounting document G/L Account/Customer/Vendor FTyp	tNo Can Ref. D
000	REACI 1 2 3		00000005 11.600,00 10.000,00- 1.600,00-	EUR	19.11.20	7	RFB0 11 11		* 0	eer sa 1.01.2 1.01.2	5- 0000000520 RE Document 0000000034Samurai Fireworks LTD 6005	
000	REACI 1 2 3		00000005 11.600,00 10.000,00- 1.600,00-	EUR			RFBU		• 0	eer sa 1.04.2 1.04.2	5- 0000000034Samurai Fireworks LTD 6005	
000	REACI 1 2 3		00000005 17.400,00 15.000,00- 2.400,00-	EUR EUR		,	RFB0		* 0	1.07.2	s for 3 quarters 0001 30.11.2015 19.11.2015 19.11.2015 2015 11 AB 000000052015RESR 1000000 5-30.09.2015: Recvbl. from Sales-Based 140000 0000000345amurai Fireworks LTD 6005 5-30.09.2015: Recvbl. from Sales-Based 541000 RE Revenue from Third-Party Usage Rent 6005 00uput tax	

Figure 7-53. List of Documents in Accounting screen: RE Document (000000520)

Dis	pla	REL	Docun	nent										
9	8	7 7	2	3 1		- E		H 4	► H					
Proc	Proc	Accou	nting I	D	Pstng	Date	Doc. Dat	te Rev	Entered	SouIntEntr	CoCd Docu	mentNo	Revs. Doc.	Year
Item	IC I)/C	Amount	Crcy	Calc.	from	Calc. t	to Ob	ject ID	Ref. Date	Partner	FTyp	Bush Profit	Ctr PMet
RESR	REDE	00000	0052015	RESR	19.11.	2015	30.11.20	015		RESRSE	0001 1000	00005		2015
1	OI I	17.	400,00	EUR	01.07	.2015	30.09.2	2015 RE	C 0001/	1	OAF-CU-04	6005	P0002	A
2	C	15.	000,00	EUR	01.07	.2015	30.09.2	2015 RE	C 0001/	1	OAF-CU-04	6005	P0002	
	TC		400,00	PTTD										

Figure 7-54. Display RE Document screen (000000520)

- 21. Click 📀
- 22. You have completed this transaction.

Result

You have calculated the amount receivable from the customer based on sales figures and posted it to accounting documents so as to post to the customer account. Also, you have processed one more document, transferring income from the RE contract to the rental object.

Customer Line Item Display

A customer line item display shows the amount that has been posted to the customer account (Figure 7-55).

CHAPTER 7 SALES-BASED CONTRACTS

Custo	mer Line Item	Display								
H 4) H & // 🎞	🎯 🕸 🕲		898	E	•	II	-	E Selection	ns 🗋 Dispute Case
Customer Company Name City	Code	34 0001 Samurai Firen Minato-ku	work	s LID						
St	Assignment	DocumentNo	Тур	Doc. Date	s	DD	Amt in loc.cur.	LCurr	Clrng doc.	Iext
		10000003 10000004 10000005	AB AB AB	30.11.2015 30.11.2015 30.11.2015		444	11.600,00 17.400,00 40.600,00	EUR EUR EUR EUR		<pre>* 01.01.2015-31.03.2015: Recvbl. from Sales-Base * 01.04.2015-30.06.2015: Recvbl. from Sales-Base * 01.07.2015-30.09.2015: Recvbl. from Sales-Base</pre>
St	Assignment	DocumentNo	Тур	Doc. Date	s	DD	Amt in loc.cur.	LCurr	Clrng doc.	Text
•••							40.600,00	EUR		
3 items	displayed								SAP	

Figure 7-55. Customer line item display

Summary

In this chapter, we studied how sales-based rent contracts are created in the system and how we can use them for business requirements to calculate rent based on different parameters. We also saw how to settle these contracts by using the periodic posting functionality, where rent is calculated based on various criterions.

CHAPTER 8

Industry Best Practices

This chapter will explain industry best practices for implementation/rollout and maintenance of SAP REFX, the team composition and skillset required, and competency building. The chapter is divided into the following topics:

- Best practices for implementation/rollout
- Team composition and skill matrix required
- Competency building

Best Practices for Implementation/Rollout

In this chapter, we will discuss the best practices for implementation/rollout of SAP REFX, specifically in the following aspects:

- Approaches for speedy and effective implementation of SAP REFX
- The value of organizational preparedness
- The need for strong executive sponsorship
- The importance of documented processes, business cases, and training
- Key success factors
- Living with SAP REFX

Organizations planning on replacing legacy systems that are unable to keep up with increasing business require a state-of-the-art integrated solution, such as SAP REFX. Organizations are always looking to find answers to a variety of questions relating to the solution, such as its necessity, its functionalities, and, more important, how it can meet the firm's needs. Best practices and effective approaches for speedy and effective implementation are other considerations.

SAP REFX implementation is a key transformation initiative, and successful implementation is the responsibility of all who are part of organization. Companies must ask themselves the following questions:

- What are key success factors for the success of the initiative?
- Do we have strong executive sponsorship, ideally from the business organization, to ensure strong business team support?
- Do we have a sufficient budget sanctioned for such an initiative?

- Are all critical business requirements in functional areas met for this implementation?
- Have we identified key resources from business and other functions that will form the core group and ensured their availability for the implementation initiative?
- Are we prepared for managing the training needs of the organization?

Based on responses to the preceding questions, one can judge if more work needs to be done to prepare the organization for change or if it is ready to start the transformation journey. A roadmap of the organization post-REFX implementation needs to be thought out and visualized before the initiation of the preparatory phase. To begin, all persons on the implementation team have to be aware of the broader vision of the organization, its goals, and how the SAP REFX initiative will help in achieving that vision. What are the organization's goals and the vision it carries, and how can the SAP REFX implementation enable it to achieve these goals?

Since you are thinking of replacing the legacy system of your organization, you need an integrated system that will be scalable and functionally rich to support your vision of the organization. A solution should be capable of improving productivity, customer centricity, and the effectiveness of communication within the organization's ecosystem.

When is the right time to start implementation? The answer is certainly not *immediately*, but rather only after considering some key aspects.

Executive Commitment

Executive commitment is crucial to ensuring a successful, on-schedule implementation that is within the sanctioned budget, and hence it is important to know the project sponsor's place in the organization and how much influence he or she has within the organization. Many project sponsors do not focus on the project and are busy in regular business activities, considering implementation as a side activity. However, regular contact with the executive sponsor is a must; the sponsor should be involved from the kickoff to the end. The best project sponsors take a keen interest and spend the requisite time on the project. Obtaining a full commitment from all stakeholders is essential and needs to be ensured before the start of the project. Typically, executives will say that they support such transformation initiatives, but when it comes to releasing funds and key resources for the project, they may not support the project team completely. It is a good practice to conduct review meetings to discuss progress and pending tasks so as to reiterate the commitment made at the start of the project. The project sponsor should begin the kickoff meeting by clearly communicating the vision of the organization and business case for the initiative to make sure everyone is aware of their responsibilities and the deliverables expected from them.

Build a Business Case for Positive Return on Investment

The rationale behind building a business case is to justify the investment requested for the project. Also, it helps in onboarding correctly skilled resources from business functions on a dedicated basis. Business needs may entail achieving cost reduction, greater customer service, improving system performance, or reducing processing time. We have to ensure that we have a sound business case that details the background of the project, benefits envisaged, and how it is going to contribute to the overall vision of the organization. A business case is a presentation of data with views from relevant stakeholders. A new SAP REFX system provides your organization with fresh opportunities to use and refine new business processes, and a business case-building exercise is the first activity in this journey. A business case should talk of business drivers, pain areas, improvement expected by suggested solution, competition, and change-management requirements, if any, due to the impact of new initiatives. The team can help educate the organization's business team on technologies that can help them to achieve business objectives in an easy way. Return on

investment needs to be presented, and senior management's concerns need to be addressed. As the owner of the business case and guardian of the investors' interests, the project sponsor must be the one to secure buy-in from every stakeholder.

Build a Case

The project sponsor should share his or her vision and communicate to the larger part of the organization as to what the team is planning to do, how you are going to do this, what help you need, and how it will bring about change for the better. The project sponsor should reach out to the maximum number of people by organizing meetings, conducting workshops where key team members will speak to clarify any doubts, sharing his or her own thoughts about the initiative, and improving overall understanding. This will help to reduce any resistance employees have and address any concerns that might prevent them from participating wholeheartedly.

Core Group Formation

You need to onboard the best talent from various organizational units to create a core group that will be responsible for ensuring successful implementation/rollout. The core group has to drive the transformation initiative by using their experience in the organization; the group has to be formed with the right mix of talent to ensure continued success throughout the journey and thereafter. The core group should consist of the right mix of senior and junior members—senior and experienced individuals who have deep business knowledge and younger people to provide energy and optimism; seniors may offer insights gained from experience. We may create the following four groups in the core team:

- Steering committee (two to three members): To facilitate, monitor, and guide the rest of the teams
- Change control board (three to four members): To review and approve changes to the scope
- Selection committee (four to five members): To select the appropriate solution
- Project teams and leadership: Choose a program manager and project leaders for every project team.

Ensure Resource Commitment

SAP implementation is perceived as a corporate initiative launched from the head office, and employees in the other offices tend to believe that it is the core team's responsibility to implement the change. No initiative will be successful unless end organizations are aligned to initiatives and onboarded correctly. Besides corporate, we need commitment and involvement from branches, factories, and other units, and to get this commitment, we need to conduct regional-level workshops to which we should invite participation from the all locations and support functions.

Manage Change

New initiatives like implementation will bring about a change in the system, processes, or way in which the organization is operating. New business models will require a change in the way business operations are managed. People who are used to a specific way of working may need to understand and adopt new ways aligned to the initiative. This is possible only if it is communicated clearly to employees and all stakeholders who are impacted. We need to make sure that every employee, irrespective of designation, role, location,

seniority, and skill set, is made aware of the changes. People must gain an understanding of why the change in strategy or in culture is needed and how it will affect them, covering in particular modifications in their roles, responsibilities, location, and teams. People generally resist change in the beginning. This is when the respective managers must act and connect with them and communicate the benefits of such a change in technology and process, and explain the need for it.

Manage Own Expectations

Business requirements are changing, as are statutory and compliance requirements. You have been making changes to cope with these changes. All this is either captured in one of the systems or is part of the manual work being carried out by your teams. You should not expect everything to undergo change in one attempt, certainly not at the size of transformation we are discussing. There may not be any single solution that meets all business-specific requirements, and customization (major or minor) may be required. You need to set expectations internally as to what the new system can support, what workaround is required, and what process changes may be necessary. Acceptance from users will likely be greater if they are aware of what to expect from the transformation and what not to expect.

Identify Potential Risk

Every project is exposed to risks; you cannot have a project without risk. If we do not mitigate even a small risk, it can become a major hurdle to optimally delivering the project. Therefore, the identification of risk at an early stage is essential. Thorough analysis of risks and initiating appropriate preventive measures is a must to avoid risks. Deviations, short supply, idle time, inadequate communication, lack of preparedness, and overruns are some of the risks you should be able to identify easily.

Have Clear Interface Requirements

Identify every single interface requirement of these processes with respect to give and take of data, frequency, use, size, volume, and current mechanism. This will help you in building a conference room pilot or testing rollouts. Real challenges are mentioned here:

- The system landscape is not the same at every location.
- The processes are different.
- The level of automation is different.
- Regulatory requirements differ from place to place.
- Many processes are not documented, or are incomplete.
- No central team has been appointed to control the version or approve changes.

Use Reports, Key Performance Indicators, and Dashboards

You need to keep an inventory of reports on your organization's processes as well as the distribution list agreed upon. You may need different kinds of reports based on your organization's requirements. You will also want to identify key performance indicators by process, creating a matrix of tasks or activities by role for the dashboard. The REFX system's strong reporting provides most of the reporting needs to fulfill real estate's requirements. Moreover, you may use this opportunity to look into these reports to see if any can be consolidated or eliminated altogether.

Clean the Master Data

Most of the organizations today are struggling to keep track of master data and avoid duplication of it. A lot of investment is made in ensuring master data is correctly maintained so as to get a single version of truth. A disciplined approach is required to ensure the correctness of this data. It is the responsibility of the organization to ensure the quality of master data on land, building, rental objects, and other real estate objects is maintained. A centralized team managing the maintenance and creation of master data is recommended. It should not be left to many agencies to maintain and create master data in order to avoid duplication. It is suggested that you clean master data and synchronize them with the REFX application before we start implementation.

Role-Based Access Control

Granting access to a user for the SAP REFX system will depend on his assigned role and responsibilities. The right to create real estate master data may reside with a central team. Some users may get access to read transactions but not to modify them. It is required to do a complete analysis and create a matrix to identify roles based on the responsibilities of each employee. The segregation of duties needs to be ensured, and you may observe conflicts during the data-collection process. You need to document all such findings and address these conflicts during role creation.

Validate the Solution Against Architecture Guiding Principles

Every organization has certain guiding principles, and any new solution must be reviewed and validated against them. Deviations must be identified and their impact reviewed and agreed on. This needs to be discussed with a solution architect. Bring to his or her notice any deviation and find a workaround before moving forward with the new solution. Every location may have different processes and a different understanding of the solution, but your organization likely needs to work on the following:

- Have a globally standardized process, with localization (permissible only in the case of statutory or compliance requirements) in documented form and controlled at a central location by team
- Ensure updating and modifications to its processes to accommodate what it desires to achieve
- Create an internal knowledge portal where these processes are captured and anybody can refer to them

Team Composition and Skill Matrix Required

Successful project delivery largely depends on having a competent team; getting the right set of experienced people is a major challenge. Project sponsors struggle to get SAP REFX-specific functional and technical consultants to work on the project, but existing and past implementations bring an experienced pool of resources into the market. Ideally, the team should be composed of a reasonable number of domain consultants with a comprehensive knowledge and understanding of real estate processes who are able to validate business requirements and identify deviations from the standard offering of the product. In other words, consultants who are capable of ensuring error-free delivery. Your organization should select the right service providers to ensure experienced resources for the various roles required.

Process harmonization is the first step in getting ready for such a major transformation initiative. Harmonized and standardized processes should also consider local needs in the area of taxation and country/product-specific documentation. This helps in having complete and comprehensive blueprinting for SAP REFX. These documented processes help as a reference guide for every individual in the organization. Based on the preceding factors and the importance of such a program, we recommend the following roles at the corporate and program level.

Steering Committee

The steering committee needs to be formed by the project sponsor once management approves the business case. The steering committee should consist of identified leaders from various departments, such as production, finance, procurement, sales, services, risk and compliance, quality control, business development, planning, and technology. The chief information officer (CIO) generally heads the committee and reports to the project sponsor on a regular basis. The function of the committee is to steer the program, guide the team, resolve conflicts, and decide on critical issues to help with the smooth running of the program. The committee is responsible for vendor selection and contracting with them, and monitoring the progress of the program. The committee is required to evaluate if expenditures are within budget and objectives planned initially are achieved. It is suggested that the committee meets once a month and reviews progress.

Enterprise Architect

An enterprise architect plays an important role in a transformation program like SAP REFX and needs to be supported by functional and technical architects. Business architects will work on changes and impact on business due to the new system, suggest areas of improvement, and ensure harmonization of processes. Technical architects will ensure that design principles are followed and architecture guidelines are adhered to. They understand both the existing technology landscape and the proposed system and vision provided in the business case. Both business and technical architects work under the leadership of the enterprise architect to ensure smooth implementation of the SAP REFX program. It is also advisable that a detailed review of the architecture framework by industry experts be undertaken, as new technology platforms, offerings, and models are evolving rapidly.

Program Manager

The program manager is a single point of contact (SPOC) for the program. He or she is a person who is recommended to have experience in managing large programs, preferably in the area of real estate. Experience in delivering large SAP programs is a plus.

The project sponsor should appoint the program manager at the time when the steering committee is being formed. The program manager creates scope documents for appointing vendors, identifies the risks associated with the program, and provides a mitigation plan. He or she is also involved in creating changemanagement and critical-resource plans; capturing dependencies; and devising a program organization structure, measurement criteria, an induction plan, and a reporting mechanism.

Whether it be a pilot, a partial implementation, or an organizational-level implementation, these roles are necessary at the corporate level to achieve success with your program.

Domain Consultant (SME)

Domain consultant is a key role for the success of an SAP REFX implementation. A consultant who has worked in a real estate organization can appreciate the challenges and difficulties faced by different roles within a company. He or she is therefore properly equipped to capture requirements correctly and helps in providing the right solution. A domain consultant with experience in implementing SAP REFX is preferable; however, a consultant with experience implementing SAP FICO can also meet project needs with some

grooming and training. It is a challenge to get a consultant who has a thorough understanding of both domain and technology; i.e., SAP REFX. Therefore, based on implementation strategy, we need to select domain consultants either by line of business or by business processes. Domain consultants can conduct workshops and will be able to connect with business users easily, as they will talk in the same language as business understands. He or she can capture information like various roles played by consultant, data requirements, pain areas, compliance needs, localization requirements, if any, and volume of transactions.

SAP REFX Functional Consultant

An SAP REFX functional consultant should have good SAP FI knowledge and should be a hands-on person. He or she should know AR, AP, GL, and Asset accounting thoroughly. How vendor and customer accounting is handled, how transactions are posted in FI system, how revenue and cost are recorded, and so on should be clear to him or her. Domain knowledge is also desirable, but at least core SAP FI and basic controlling knowledge is required. The main responsibility of an SAP REFX functional consultant is to work with the domain consultant, map business requirements in SAP REFX, and configure systems that meet business requirements.

SAP REFX Technical Consultant

The SAP REFX technical consultant must have strong knowledge of advanced business application programming (ABAP) and hands-on experience with the SAP REFX ecosystem.

SAP Process Integration (PI) Consultant

An SAP PI has to connect SAP REFX with non-SAP systems, whether ERP or not, and third-party products if used in organization by vendors, customers, and other agencies. The SAP PI consultant builds these interfaces to ensure seamless integration of data flow between both systems. SAP REFX also requires interfacing with GIS, business intelligence (BI), and other systems. A, SAP PI consultant with hands-on experience should be brought on board.

SAP Finance and Controlling (FICO) Consultant

SAP REFX is part of SAP FI, and you may need an SAP FICO consultant to do basic FICO settings. The SAP FICO consultant is needed to configure financial settings in SAP REFX. If SAP FICO is already implemented, you may have the configuration ready in the system. REFX is integrated with Finance and Controlling for managing customer receipts and vendor payments through accounts receivable (AR), accounts payable (AP), general ledger (GL), cost center, and profit center.

Quality Assurance Consultant

The quality assurance consultant is somebody who knows business better than any external agency does. We should onboard the position from internal senior and experienced team members. In case your organization outsources testing activity and appoints an external vendor to run your test factory, he or she should be one experienced with both the testing and the domain. Testing and quality control are important, because REFX interfaces with most of your landscape as well as outside it. Ensure that batch processes are running as expected and all the interfaces, functionalities, and custom-built functionalities are working. It is recommended you collocate your entire program team for better coordination.

Rollout Team

Rollout partners are best enlisted toward the last phase of implementation of the global template. They should shadow the implementation team during the warranty stage at the first site. You need all the skills of the implementation team to carry out the rollouts, but not in the same numbers. We need to choose consultants from the existing team who will continue in rollouts. Retain consultants with multiple skill sets. Also, the competency level required for implementation is higher than that needed for rollout. Rollout consultants should have knowledge of the implementing country or site-specific localization. Different countries have different legal and statutory requirements; these must be addressed while rolling out the standard template. Forms and documents may also be required in the local language(s) and format. The implementation team conducts workshops to share solution details, architecture aspects, environment, configuration, user setup, and documentation with rollout leadership.

The corporate team continues throughout the rollouts. It is good practice to retain a few key resources from the implementation team for the initial rollouts. These resources can act as mentors to the rollout teams. The steering committee appoints one or more rollout partners and release-management partners, depending on the number of sites and time allotted.

SAP REFX Team Ramp-Up and Competency-Building Plan

SAP REFX implementation is a key initiative for organizations and requires a number of experienced and trained SAP REFX resources to manage implementation and multiple rollouts and provide support. We need to build competency by choosing good SAP Finance consultants and training them on the REFX module. This should cover all end-to-end processes that the team may need to configure in sand box and carry all posting, settlement runs, and other routine postings through to REFX.

Summary

We explained best practices for SAP REFX implementation and rollouts, team composition and skill matrix required, and competency building plan.
CHAPTER 9

Transformation Impact of SAP REFX Implementation

This chapter will explain transformation impact on a business post-REFX implementation and the impact of new-dimension products like S4 HANA, big data, Mobility, analytics, and social media on SAP REFX. The chapter is divided into the following topics:

- Business transformation
- New-dimension products
- Business case justification for investment

Business Transformation

What is business transformation? It is a major organizational change to plan and aligns the People, Process, and Technology initiatives of a company with its business strategy and vision. It is a strategic and holistic transformation process across the business aiming toward achieving the corporate vision. A key enabler for business transformation is technology. Big data, the Cloud, Internet Of things, social media emergence, and mobility have changed the rules of the game and the competitive scenario by evolving new business models and value chains. The transformation of the IT landscape to make it adaptive to new business models is a key focus going forward. Typical transformation projects include mergers and acquisitions, outsourcing and offshoring, restructuring, value-chain optimization, and information systems redesign. These involve external consulting firms to carry out a major transformation within the organization. IT transformation is no longer a separate initiative, but rather is a major component of any overall business transformation. Innovation is one of the key drivers of transformation. Managing global real estate assets is a challenge due to ever-changing rules and regulations from country to country as well as rising customer expectations, both of which are forcing real estate players to innovate. In the development of trade and commerce, efficient management of real estate assets is essential to staying competitive in the market, and any failure on this point can result in loss. Hence, players managing real estate are under constant pressure to ensure costeffective operations with reduced complexity. They need to improve efficiency via better forecasting and gaining more insight into market trends.

Generally, real estate players are expected to do the following:

- Enhance usage of the real estate portfolio through efficient space utilization strategies, locating vacant and unutilized space in the portfolio that can be either leased or sold and having an accurate and prompt reporting system that reflects vacant and unoccupied space in order to manage it effectively
- Optimize space utilization of the leased and owned real estate portfolio

- Keep close control over lease agreements and expirations, reduce operating costs, have strategies for reducing utility expenses
- Prepare a short-term and a long-term plan for effective management and utilization of real estate and facilities inventory
- Taxes and other statutory payments are accurately worked out for space and amenities owned/occupied and no excess payment is made
- Generate accurate operational reports to help prompt decision making

In order to meet the preceding expectations, real estate players are looking out for integrated solutions that meet organizations' transformational aspirations and investing in software solutions that support standard processes, provide best practices for the industry, and reduce customization so as to deliver maximum return on investment.

We strongly suggest you select a solution and invest in it if it provides the following benefits:

- Real-time availability of data for meaningful analysis and quick corrective action is expected from a new solution. For example, the availability of real-time information of real estate assets like land, building, plant, and other assets will help in ensuring predictive maintenance and replacement readiness.
- The ability to analyze large volumes of data to generate meaningful insights; for instance, real estate master data analytics to determine utilization of assets, vacant objects, lease administration, forecasting of valuations, and minimizing overhead costs.
- Integrated solutions providing a single view of data throughout the organization, ensuring a single source of truth and effective control. Real estate master data like property, building, and rental spaces should be providing the same view to all stakeholders.
- Ability to quickly respond to customers by capturing, interpreting, and analyzing feedback on social media sites.

In nutshell, you need integrated solutions that provide real-time information about the status of assets, enabling analytical support to interpret structured and unstructured data. Hence, we suggest the SAP REFX solution, which is strong enough to address these requirements. We also believe that the implementation of SAP REFX can help you obtain early return on investment.

New-Dimension Products

Let us see in detail the transformation impact of new-dimension products such as big data, HANA, mobility, Cloud, and social media in detail.

Big Data

Big data is a large volume of structured and unstructured data and can be analyzed to improve decision making and strategic business moves. The amount of data that's generated and stored is growing at an alarming pace, but we are able to capture and analyze only a small percentage of data that can help decision making. It is a big challenge for any organization to capture information that flows into it and interpret it to improve efficiency. Customer relationship building is critical to the real estate industry—and that can be achieved by managing big data in an effective manner.

Today's organizations are challenged by increasing costs—construction, infrastructure, and facility overhead are substantial expense categories for many organizations. Real estate players try to reduce the total cost of occupancy through strategies and finding new ways to leverage that information to enhance consumer satisfaction. In-memory databases like SAP HANA allow you to extract an enormous volume of structured and unstructured data from a single place and analyze it in an efficient manner. Advanced analytics enable you to quickly analyze that data to provide better insights and predict future trends. Cloud platforms can make the resulting insights available to the right people at the right time and at an affordable cost. Investments in the retail sector are generally based on the area where the property is situated, but based on behavior trends of actual consumers, you can make smarter decisions about where to acquire or develop a property and start a venture, and if property is owned or leased, what kinds of rents are appropriate, and more. All the new data we are acquiring can help to attract more and more customers in innovative ways. Both the retailer and mall owner will benefit, as retailers will be able to maximize revenues and mall owners will be able to increase rental income and have better retention of tenants.

Organizations with extensive lease portfolios are faced with the huge task of tracking numerous leases with varying expiration dates and different terms of tenancy. The chance for errors is high if we use manual systems to keep track of these requirements. Customer complaints, inaccurate information, missed renewal dates, monetary penalties, and so on are possible in a manual system. Facility management is a major cost factor for businesses since buildings, especially large office blocks, consume enormous amounts of electricity, water, and gas and need regular maintenance. Better insights into the data and the factors influencing a building's performance can help significantly reduce resource consumption and improve environmental performance.

SAP HANA Solutions

SAP HANA is an in-memory platform for processing a large amount of data in real time. It is at the center of SAP's technology strategy, with new innovations like S4 HANA, which is based on the HANA database. SAP HANA enables businesses to access transactional data in real time and to analyze large volumes of data quickly. A few SAP HANA-based solutions are available for the real estate industry. SAP HANA's adoption is growing in the real estate segment as more and more organizations are planning to move to HANA to get the benefits of real-time information, faster processing, and the predictive capabilities of the solution to stay competitive in the business.

Mobility

The real estate industry is highly human dependent, and organizations are challenged to meet the multiple and ever-growing requirements of various stakeholders. Real estate managers who are required to lease properties need to deal with various stakeholders like vendors, tenants, buyers, and banks. Real estate agents who are buying and selling properties for their customers need to have a solution that can be accessed on the fly and is device supported. Gone are the days where agents used to capture information on personal computers and need to go to the office to access it. If an agent is showing any property to a customer, he needs to have real-time information about the property to conclude the deal successfully. Integration with enterprise CRM systems provides quick and easy access to the information required for capturing and tracking lead status. As real estate is a people-centered business, real estate professionals must keep up with the demands of their consumers. Mobile technologies integrated with SAP can address most of these challenges. Mobile devices in the field can capture real estate data and share them with a central server on which an SAP REFX platform is installed. The information can thus be made available ahead of time for planning. Information on the vacancy of objects, lease term expiration, rent outstanding, utility payment due dates and other relevant data can be easily populated in the system and used internally or sent to customers and vendors. Thus, you can enhance productivity and customer service at a reduced operational cost. Mobile technologies that can be deployed are the Global Positioning System (GPS) for tracking assets

CHAPTER 9 TRANSFORMATION IMPACT OF SAP REFX IMPLEMENTATION

and location-based services; radio frequency identification (RFID) for locating real estate assets; RFID readers and scanners for faster scans; and mobile phones with business applications for inquiries, updates, and two-way communication.

Consumers want instant information, but fulfilling that expectation of an immediate response time is difficult for real estate companies who don't have mobile-enabled technology and won't be able to compete with other real estate companies who continue to make information available online in order to approach their consumers.

Mobile solutions that are integrated with Google Maps help agents and real estate managers provide complete information access. A 3D view of the property with improved images enables the viewing of property on tablet devices, and you need not physically visit the site to view the property.

Social Media Integration

Given the increased use of social networks worldwide, social media is opening up new business opportunities by creating two-way communication, enabling customer feedback and response in real time. It is important for the real estate industry to tap the potential of social media to drive efficiencies and connect with customers and business partners. Information and feedback on social media is vital information for sales and support functions. Analysis and interpretation of it is often a challenge, as information is not in a structured format. Social media allows the sharing of information relevant to the industry, such as updates on real estate prices, market trends, vacant space availability, and new compliance requirements relating to property, complaints, feedback, and views. Modern businesses are proactively handling customer issues and complaints through Facebook and Twitter. Many real estate players are posting property details on Twitter to help find customers, and visual presentations of services can have a positive impact on customers. Social media is complementary to the real estate business. Integration with social media is important for making full use of SAP. Leading real estate players have portals that provide data access to all partners and customers. SAP can share its data, such as the availability of real estate properties, buildings, or assets, on social networks. A real estate company using social media to offer real estate assets to customers along with SAP can have much wider options for penetrating the market.

Analytics

Analytics has been used as a tool for reporting historical data to analyze so as to take corrective action for the future. However, with technology advancement, it has moved to being a real-time provider of data. The next step forward is to analyze trends based on data and predict for the future in order to take proactive steps. However, the major challenge is data residing in disparate systems. The availability of integrated data can lead to improved efficiency, reduced costs, and enhanced customer satisfaction. Organizations implementing SAP REFX have this data residing in a single system, saving the time required to obtain data and retaining the sanctity of the data.

In the Flexible Real Estate Management module, there are reports for the following objects, providing key performance indicators, and analytics can be based on these KPIs:

- Master data
- Real estate contract
- Measurements
- Conditions
- Business partners
- Service charge settlements
- Controlling

SAP REFX is a data-intensive solution that will generate a wealth of data. It is recommended you review its analytics requirements and build a strategy to archive non-critical data and move relevant data, which will enable the monitoring of key performance indicators and the creation of dashboards for decision makers at every level of the organization.

Internet of Things and Real Estate

The concept of the Internet of Things (IoT) presents unprecedented possibilities for the management and operation of real estate. Sensors, a tiny chip, can register changes in temperature, light, pressure, sound, and motion. These sensors have been used by city planners and transportation specialists to measure vehicular traffic, and data produced helps in determining the capacity for roads and other planning tasks. Sensor technology is being applied to commercial real estate and other types of businesses, and the benefits are considerable. In terms of property evaluation and market analysis, the information that's obtained from sensors can be tremendously valuable. We can put sensors on the equipment in a building, and every ten seconds we get a read on the air temperature, which is helpful in determining if the air conditioning system is working efficiently or needs maintenance, and we can generate a work order to fix it.

With the emergence of IoT, any part of a real estate object, like a building, can become a point to capture and send data for analysis and action. The speed of data transmission and processing time has increased tremendously. A scanner can provide basic temperature monitoring and support a building automation system that uses IoT, and we can look for an integrated solution that senses and adjusts heat and humidity based on the number of people that have entered the building. Advanced analytics combined with IOT can change the way real estate operators are managing their business.

Cloud Computing

More and more businesses are looking for cost-efficient operating solutions, which has led them to the adoption of the Cloud. Cloud for real estate will help you keep your agents one step ahead of the competition at all times. Your employees will be able to access listings, contracts, and business applications in the office or in the field, and it can keep your business up to date with the latest and best technology on the market, providing the most efficient collaboration and security for your agents and clients.

Commercial real estate businesses are typically operated in the traditional way with hundreds of spreadsheets and lot of paper work. The Cloud has made its way in the construction and commercial real estate business, changing the way we rent, buy, and sell. With the Cloud at its back end, technology is witnessing heights in the real estate sector, helping collect data and collaborating and sharing it on the move. Real estate agents and buyers can now carry on cleaner and faster transactions, which ultimately lead to time savings and valuable customers' satisfaction. A number of businesses in real estate are enjoying the advantages of cloud computing.

Organizations adopting the Cloud will be able to reduce their costs by accessing systems at an affordable rate. You can save space used for systems and infrastructure, and smooth and seamless remote access allows a greater number of employees to be in the field and operating efficiently. One can be relived from IT maintenance duties and focus on the core business once moved to the Cloud. The real estate business can extract relevant information and better target customers with ease and simplicity.

Now, think of the real estate professional at the airport showing some vacant duty-free shops to a potential customer, who requests the details of the operating expenses of the duty-free shops for previous years and operating expenses for all shops in the building. The real estate professional can get all this information on a mobile device by accessing the company's database on the Cloud. He or she need not go back to the office to get the required details.

Business Case Justification for Investment

A strong business case is a prerequisite for committing any information technology investment. A proper business case has to be prepared and put up for senior management's approval before the start of the project. This helps in sanctioning funds for the project and also acts as a yardstick to measure the progress of the project at each stage. The business case justifies the investment of time, money, and resources into a project by outlining the larger benefits that the organization will get by implementing said project. Including the necessity of the project, cost, timelines, various options available for addressing the painful area, and how the selected option is the best one to meet the overall objective will strengthen the business case. Every possible benefit, tangible and intangible, supported by estimated financial workings needs to be hashed out. Risks and costs associated with the project need to be clearly mentioned. A calculation of projected costs, with justifications for each line of expenditure, is required when requesting approval, and also projected timelines for each activity need to be provided.

Summary

Businesses can get really powerful when technology meets up with the right strategy. The commendable era we are in gives us a chance to build the future. The time has come for a change. Real estate is one major industry that is becoming complacent with time. Owing to the spectacular technology adoptions, consumer acceptance has grown and is rapidly leaving the conventional methods of trading far behind. Accessibility has increased. Information can now be reached from anywhere. Customers are enjoying a feeling of control and hence are more comfortable trading real estate. For quite a long time, this industry has struggled to keep up with the transforming innovations. Now, the time is ripe. Taking the right decisions in the right direction will change your business and turn it toward ultimate growth. The SAP REFX platform integrated with HANA, a mobility platform, a social media platform, and business intelligence (BI) can give you access to real-time information while providing you with analytical capabilities for structured and unstructured data. After evaluating the capabilities and features of SAP REFX, we strongly believe that it can help you obtain an early return on investment.

CHAPTER 10

Step-by-Step Guide for Configuring and Implementing SAP REFX

In this chapter we will provide a complete business scenario for REFX, with a step-by-step guide for configuring the system. We will also cover the master data creation process in detail. The objective is to enable the reader to configure REFX with the help of detailed screenshots and provided explanations.

Basic Settings in REFX

We need to carry out the following steps to configure the SAP REFX system.

Activate Real Estate Extension

To be able to use the functions of Flexible Real Estate Management in the SAP ECC Extension, the activation checkbox has to be checked (Figure 10-1).

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Basic Settings ➤ Activate Real Estate Extension

Change View "Activate Real Estate Extension"	: Details
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
Read the documentation carefully before changing this setting.	
Documentation	
Financials Extens. (EA-FIN) Active	
BTE Application (RE) Active	
Activate Real Estate Extension	
Extension Active	

Figure 10-1. Activate real estate extension

Create Basic Settings in Company Code

Here, you create basic settings for company codes that are used in Flexible Real Estate Management (Figure 10-2).

We need to create settings for each company code in which we want to manage real estate objects (Figure 10-3). Financial Assets Management has to be active in each company code you use.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Basic Settings ➤ Make Basic Settings in Company Code

Char	nge View "Company-Code	-Dependent :	Settings": Overview
9 🕄	New Entries 👔 🔂 🕼 🖪	R	
Compa	ny-Code-Dependent Settings		
CoCd	ССТр	Accounting Syst	Company Code
0001	Standard Company Code 🔹	FI	V
IN02	Standard Company Code 🔹	FI	V
MC01	Standard Company Code 🔹	FI	v
PT01	Standard Company Code 🔹	FI	v
RECO	Condominium Owner Company C. 🔻	FI	
REOB	Reference Company Code 🔹 🔻	FI	V
RERF	Reference Company Code 🔹 🔻	FI	

Figure 10-2. "Company-Code-Dependent Settings": Overview

Change View "Company-Code-Dependent Se	ettings": Details	
💖 New Entries 🐚 🔂 🕼 🕼 🚨		
Company Code 0001		
Company-Code-Dependent Settings		
Category		
Company Code Type Standard Company Code]
System	Zero Tax Indicators	
Accounting System FI	Input Tax Type 0%	MVST
	Input Tax Group 0%	NONE
Rental Accounting		
Residual Items Item Summariz.Active	Output Tax Type 0%	MWST
✓ Fill Assignment Tax Summariz. Active	Output Tax Group 0%	NONE
Fil BA		
Accr.Dep.on PrdPstg		
Uniqueness of Object Assignment	Input Tax Distribution	
FuncLoc Multiple Asset Mandatory	Company Code Opts	
Asset Multiple	InpTaxDist.Projects	
WBS Multiple	InpTaxDist.CostCtr	
Orders Multiple	InpTaxDist.PM Orders	
Multiple Cost Ctr	InpTaxDist.Int.Order	No Input Tax Distribution for Intern
Default Units of Measurement	Project Error	Issue No Message

Figure 10-3. "Company-Code-Dependent Settings": Details

Activate Real Estate Management in Controlling Area

This configuration is used to activate the Controlling Area for some of the features of standard SAP REFX. Set Real Estate Management to Active (Figure 10-4).

For example, by activating Controlling (CO) you can assign accounts to any real estate object in CO when posting documents in Financial Accounting module.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Basic Settings ➤ Activate Real Estate Management in Controlling Area



Figure 10-4. "Activate Components/Control Indicators": Details

Once the Controlling Area is activated, you can assign the company code to it (Figure 10-5).

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Basic Settings ➤ Assignment of Company Code in Controlling Area

Change View "Assig	nment of company code(s)": Overview
💅 New Entries ڷ 🖬 🕼	
Controlling Area Controlling Area Basic data Cativate component Cativate component	Controling Area
	Assigned Company Codes CoCd Company Name 0001 Puna Multinational Retail

Figure 10-5. Assignment of company code

Business Partner Settings in REFX

Most real estate processes require the maintenance of data regarding business partners or contacts. Some require financial information, such as payable or receivable processing. SAP Real Estate utilizes the central SAP Business Partner (BP) to track information on individuals and entities for financial, contact, and other purposes. The BP is linked to the relevant RE data record via business partner roles. Business partner roles identify the relationship of the BP to the RE object and its processes. Based on the role, SAP may require critical vendor or customer information. Vendor and customer master data will be maintained within Finance, with the business partner records being automatically created through business partner synchronization. If a customer or vendor is created automatically while creating a business partner, then whenever we make any changes in BP, automatically changes get reflected in the customer/vendor via synchronization.

Maintain Number Ranges for Business Partner

In this activity, you will define number ranges for business partners (Figure 10-6). Business partners are synchronized with FI vendors based on Vendor group. It is possible that the same number range is assigned in both the vendor and business partner.

Transaction Code

SPRO

Menu Path

 $IMG \succ Flexible Real Estate Management (RE-FX) \succ Business Partner \succ Relevant Settings for Business Partner in RE Context \succ Number Range \succ Business Partner Number Range$

Displ	ay Numb	er Range Interv	als	
NR Objec	t	Business partner]	
Interv	als			
No.	From number	To number	Current number	Ext 🛄
01	000000001	0999999999	0	
AB /	A	2222222222		2
MD 9	9000000000	9999999999		

Figure 10-6. Number ranges for business partner

Define Grouping and Assign Number Ranges

In this activity, you will define groupings of business partners (Figure 10-7).

Transaction Code

SPRO

Menu Path

 $IMG \succ Flexible Real Estate Management (RE-FX) \succ Business Partner \succ Relevant Settings for Business Partner in RE Context \succ Number Range \succ Business Partner Number Range$

Change View "BP groupings": Overview

New E	ntries 🚺 🔂 🕰					
Grouping	Short name	Description	Number ra	External	Int.Std.Grping	Ext.Std Grp
0001	Int.No.Assgnmnt	Internal Number Assignment	01		۲	
	Ext.No.Assgnmnt	External Number Assignment	AB			۲
IMMO	Real Estate	Real Estate Partner (I)	01		0	



Define Business Partner Roles

In this IMG activity you will define the business partner roles and their attributes (Figure 10-8). You will also define the role categories with other relevant data (Figure 10-9).

Transaction Code

SPRO

Menu Path

 $IMG \succ Flexible Real Estate Management (RE-FX) \succ Business Partner \succ Relevant Settings for Business Partner in RE Context \succ Business Partner Roles \succ Define Business Partner Roles$

Dialog Structure	BP Roles			
BP Roles	BP Role	Title	Description	1
BP Role Categories BP Role Category>	TR0120	Cust. Authorized Drawer	Authorized Drawer	
BP Kole Category>	TR0121	Other Loan Partner	Other Loan Partner with Customer Account	
	TR0150	Issuer	Issuer	
	TR0151	Counterparty	Counterparty	
	TR0152	Depository Bank	Depository Bank	
	TR0153	Paying Bank	Paying Bank	
	TR0154	Beneficiary	Beneficiary	
	TR0155	Global Custodian	Global Custodian	
	TR0156	Local Agent	Local Agent	
	TR0157	Place of Settlement	Place of Settlement	
	TR0160	Ultimate Borrower	Ultimate Borrower	
	TR0200	Guarantor	Guarantor	
	TR0202	Alternative Payer	Alternative Payer	
	TR0203	Collector	Collector	
	TR0600	Master Tenant w.Cust.Acct	Master Tenant with Customer Account	
	TR0601	Tenant (w/o Cust.Account)	Tenant (Without Customer Account)	
	TR0602	Landlord w.Vendor Account	Landlord with a Vendor Account	
			4 > 4 1	

Figure 10-8. Business partner roles

Change View "BP Ro	oles": D	etails				
💖 New Entries 🐚 🖬 🕼	6	3				
Dialog Structure	BP Role		TR0600			
BP Role Category>	General D	ata				
	Title		Master Te	nant w.Cust	Acct	
	Descriptio	n	Master Te	nant with Cu	ustomer Ad	count
	Hide					
	BP Role C	atennov				
			TR0600	Master Ter		
	BP Role C			Master Ter		t.Acct
	✓ Std As	signment	BP Role -> I	BP Role Cat.		
:	-					
	Additio	nal BP Rol	es for BP Ro	le Category	TR0600	
	BP Role	Title			Standard	
					0	
					0	
					0	-
			444		4 >	
	L		414		4 >	
			### ###		•	
	Interface				•	
	Interface BP View		FLCU00	CVI: FI Cus		
				CVI: FI Cus		

Figure 10-9. Business partner roles, Details screen

Define Business Partner Role Category

For each of the business partner roles that you defined in the previous step, you have to create role categories (Figure 10-10) and assign a business transaction to the role categories (Figure 10-11).

Transaction Code

SPRO

Menu Path

IMG > Flexible Real Estate Management (RE-FX) > Business Partner > Relevant Settings for Business Partner in RE Context > Business Partner Roles > Define Bu

% 🕄 🛛 New Entries 👔 🕞		R	
Dialog Structure	BP Role Ca	ategories	
BP Roles	Role Cat.	Title	Description
3P Role Categories	BBP000	Vendor	Vendor
BP Role Category> Busin	BBP001	Bidder	Bidder
	BBP002	Portal Provider	Portal Provider
	BBP003	Plant	Plant
	BBP004	Purchasing Firm	Purchasing Firm
	BBP005	Service Provider	Service Provider
	BBP006	Invoicing Party	Invoicing Party
	BKK010	Account Holder	Account Holder (FS: BCA)
	ВККӨ2Ө	Authorized Drawer	Authorized Drawer (FS: BCA)
	ВККӨЗӨ	Correspondence Recipient	Correspondence Recipient (FS: BCA)
	BKK200	Acct Maintenance Officer	Account Maintenance Officer (FS: BCA)
	BUP001	Contact Person	Contact Person
	BUP002	Prospect	Prospect
	BUP003	Employee	Employee
	BUP004	Organizational Unit	Organizational Unit
	BUP005	Internet User	Internet User
	CACSA1	Commission Contract Part.	Commission Contract Partner
	CACSA2	Commission Clerk	Commission Clerk
	CACSA3	Agents	Agents
	CBIH10	External Person	External Person
	CBIH20	Authority	Authority
	CMS001	Security Partner	Security Partner (FS: CMS)

Change View "BP Role Categories": Overview

Figure 10-10. Business partner role categories

New Entries: Overv	iew of Add	ed Entries		
17 b b b b				
Dialog Structure	BP Role Cat. BP Role Cate	FLCU00 Fl	Customer	
La BP Kole Category>	BTran Text BPUS Busin	t ness Partner Usage nge (Business Partne	Modif. Indicator	• •

Figure 10-11. Business partner role categories to business transaction

Maintain Number Assignment for Direction BP to Customer

In this activity, you will assign an account group from FI to each business partner grouping (Figure 10-12).

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Business Partner ➤ Relevant Settings for Business Partner in RE Context ➤ Business Partner - Customer ➤ Number Assignment: Assign Account Group to Customers

Change View "Number Assignment for Direction BP to Customer": Overview

1 N	ew Entries 👔 🔒		BBB		
Num	ber Assignment for C	Directio	on BP to Customer		
Gro	Short name	Acc	Name	Same Num	
0001	🕑 No.Assgnmnt	DEBI	Customer (general)		
0002	Ext.No.Assgnmnt	KUNA	Customer (ext.number assgnmnt)		•
GPEX	Ext.no.assgnmnt	DEBI	Customer (general)		
GPIN	Int.No.Assgnmnt	DEBI	Customer (general)		

Figure 10-12. Number Assignment for Direction BP to Customer screen

Set BP Role Category for Customer Integration

In this activity, we will create settings for the role categories that need to have a customer account in Financial Accounting (for example, master tenant with customer account; Figure 10-13).

Transaction Code

SPRO

Menu Path

IMG \succ Flexible Real Estate Management (RE-FX) \succ Business Partner \succ Relevant Settings for Business Partner in RE Context \succ Business Partner - Customer \succ Customer Roles

Change View "Set BP Role Category for Customer Integration": Overview

🦻 🕄 Nev	v Entries 🗈 🖬 🕢 🛃 🖪 🖪		
Set BP Role	e Category for Customer Integration	11 m	
Role Cat.	Description		•••
FLCUBB	siness Partner FI Customer (FS: BP)		•
FLCU01	Business Partner Customer (FS: BP)		
PSSP01	Sponsor		
TR0100	Main Loan Partner (FS: CML)		
TR0120	Authorized Drawer (FS: CML)		
TR0121	Other Loan Partner with Customer Account (FS: CML)		
TR0150	Issuer (FS: CFM / CML)		
TR0151	Counterparty (FS: CFM / CML)	1	
TR0202	Alternative Payer (FS: CML)	1	
TR0600	Master Tenant with Customer Account (FS: RE)		
TR0603	Partner with a Customer Account (FS: CML)		
TR0605	Owner with Customer Account (FS: RE)		
TR0624	Subsidizer (with Customer Account) (FS: CML)	1	

Figure 10-13. Set BP Role Category for Customer Integration screen

Define Standard Values for Automatic Creation of Customers (Company-Code Dependent)

In this section you will fill in pre-settings for creating company-code-dependent customer data (Figure 10-14). These pre-settings are used when you process a business partner in the customer role of the respective company code for the first time and access the processing screen in contract management (Figure 10-15).

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Business Partner ➤ Relevant Settings for Business Partner in RE Context ➤ Business Partner - Customer ➤ Standard Values for Automatic Creation of Customers (Company-Code Dependent)

Display View "Standard Values for Automatic Creation of Customers": Ov

РТур	Text	Authorization group	Alternat.payer in B	•••
IMV	Rental agreement (Real Estate)		V	

Figure 10-14. Standard Values for Automatic Creation of Customers screen

Change View	w "Standard Va	lues for Autor	matic Creation of	f Customers (Post
💅 New Entries	🐚 😼 🗠 🛃 🕼	E		
Product type Company Code	IMV Rental agreen	nent (Real Estate) cional Retail		
Account mgmt and	interest calc.			
Recon. account	140000	Sort key	035	
Authorization		Planning group	E7	
Interest indic.				
Payment data				
Payt Terms	0001	Tolerance group		
Payment methods	UE	Grouping key		
Dunning data				
Dunn.Procedure	0005	Dunning clerk		
Dunn.group key	01			

Figure 10-15. Standard values for automatic creation of customers, company-code dependent

Master Data in REFX

The following are the master data in the SAP REFX system.

Define Measurement Types

In this section, you will define measurement types for business entity, building, rental objects, and contracts (Figure 10-16). Measurements are used to record measurable traits of objects. The measurement type indicates the type of trait that is being measured. Area measurements are also recorded as measurements. Measurement types represent all quantifiable attributes, such as space (ft², m², acres, and hectares), dimensions (height, linear feet/length), volume (m³ or ft³), or number (desks, internet connections). Measurements can be used to calculate rent (both payable and receivable); to define available, rentable, and occupied space; to distribute costs (in service charge settlements or transferring contract costs to RE objects); and for cost or revenue-controlling analysis (so-called statistical key figures, such as cost per ft²). Measurements will reflect what is currently available within the AutoCAD drawings. These measurements will be available on all master data levels when appropriate, and will be the basis for space management cost allocations. Due to the nature of customers' international presence, multiple measurement types will be created, reflecting the type utilized within that locality as well as a conversion to other standard measurements.

Measurements are also the basis for the calculation of condition amounts in lease rentals.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Master Data ➤ Basic Settings ➤ Define Measurement Types

The units of measurements used are meter and square meter. The measurement types used are as follows:

- Total area
- Useable area
- Secondary (common) area

CHAPTER 10 ■ STEP-BY-STEP GUIDE FOR CONFIGURING AND IMPLEMENTING SAP REFX

		, 0 . . .												
Maintain	Measurement Type	5												
MeasT	Short Meas Type	Med. Meas. Type	Total	Ar.Ms.	ForApp	D	Allwd BE	Allwd PR	Allwd BU	RO	AO	Allwd REC	All.f.Parc	
A001	Total Area	Total Area	1			HZ	Oppert.	· Propert_	· Propert.	· Propert.	· Propert.	· Propert_	· Propert.	.*
A002	Floor Area	Floor Area				M2	Propert_	* Propert_	 Propert_ 	· Propert.	· Propert.	* Propert_	· Propert.	. •
A003	Usable Space	Usable Space				M2	Propert.	* Propert_	 Propert 	· Propert.	· Propert.	* Propert.	· Propert.	. •
A004	Living Area	Living Area				M2	Propert.	* Propert_	* Propert_	· Propert.	· Propert.	* Propert.	· Propert.	. •
A005	Secondary Space	Secondary Space				M2	Propert.	* Propert_	* Propert_	· Propert_	* Propert.	* Propert_	· Propert.	. •
A100	Retail Space	Retail Space				M2	Propert.	* Propert_	Propert_	· Propert.	· Propert_	* Propert.	· Propert.	. •
A101	Office space	Office Space				M2	Propert_	* Propert_	Propert	· Propert	 Propert. 	* Propert_	· Propert.	
A102	Parking Area	Parking Area				M2	Propert.	* Propert_	· Propert_	· Propert.	· Propert.	* Propert.	· Propert.	. •
A200	Res./Use.Space	Residential/Usable Space	•			M2	Propert_	* Propert_	· Propert	· Propert_	· Propert.	* Propert_	· Propert.	. •
M001	Room Capacity	Room Capacity in Persons			•	PRS	Propert_	* Propert_	* Propert_	· Propert.	· Propert.	* Propert.	· Propert.	. •
M005	No.ParkingSpace	Number of Parking Spaces				PC	Propert_	* Propert_	* Propert_	* Propert_	* Propert_	* Propert_	* Propert.	. •
M006	PGarage Spaces	No. of Parking Garage Spaces				PC	Propert_	* Propert_	* Propert_	· Propert_	· Propert.	* Propert.	* Propert.	. •
M007	Enclosed PSpace	No. of Enclosed Parking Spaces	1			PC	Propert.	· Propert_	· Propert_	· Propert_	· Propert_	· Propert.	P Property	Is Not Allowed for Obje
M010	Cubic Volume	Cubic Volume				M3	Propert	* Propert_	 Propert_ 	· Propert_	· Propert.	· Propert.	· Propert.	. •
M020	Share of Garden	Share of Garden				8	Propert_	* Propert_	· Propert.	· Propert.	· Propert.	* Propert.	· Propert.	. •
M030	No. of Rooms	No. of Rooms				PC	Propert_	* Propert_	* Propert.	* Propert_	· Propert.	* Propert.	· Propert.	. •
M050	No. of Persons	No. of Persons for Apportmt				PC	Propert_	· Propert_	· Propert_	· Propert.	· Propert_	· Propert.	· Propert.	•

Figure 10-16. Measurement types

Define Tenancy Law

You will specify here which tenancy laws you want to use in the system (Figure 10-17). You can specify for the business entity in the contract which tenancy law covers the relevant object (in the case of the business entity, the dependent objects are also covered).

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Master Data ➤ Basic Settings ➤ Define Tenancy Law

Chan	ge View "Tenancy Law Used": Ove	erview	
> Nev	v Entries 📲 📑 🕼 🖪 🖪		
TLaw	Tenancy law description	Specific.	
1	German tenancy law		-
2	Austrian tenancy law	-	-
3	Dutch tenancy law		
4	Swiss tenancy law	1	**
5	Italian tenancy law	2	
6	Japanese tenancy law		

Figure 10-17. Tenancy law

Maintain Number Range Intervals for Business Entity

Here, we considered only one business entity, which encompasses the whole department store.

However, you can specify how the number assignment is handled for this object. The specification applies uniformly for the company code. Note that the system only takes the setting for interval "01" into account (Figure 10-18).

In any internal number assignment, the system counts upward sequentially from the number shown in the Number field. For buildings, properties, and rental objects, the system assigns the number per business entity when an internal number assignment is used. This number is unique within the company code. The next assigned number for these objects is therefore not identical to the number that is shown here in Customizing.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Master Data ➤ Usage View Business Entity ➤ Maintain Number Range Intervals for Business Entity

Numl	ber Ran	ge Object Bus	ines	s entity				
Subo		From No.		To No.	NR S	tatus	Ext.	
0001		0000001		000099999			X	
AR01	01	0000001		000099999			X	
MC01	01	0000001		000099999			X	
RECO	01	0000001		000099999			X	
REOB	01	0000001	-	🕒 Details				×
RERF	01	0000001		Le Detais				-
SG01	01	00000001		Group description	-	Cell	Content	
				Subobject		000		
				Number range number		01		
				From No.		0000	00001	
				To No.		0000	09999	
				Ext.		X		
								✓ (ii)

Figure 10-18. Number range intervals for business entity

Maintain Number Range Intervals for Buildings

Here, you can specify how number assignment is handled for this object. The specification applies uniformly for the company code. Note that the system only takes the setting for interval "01" into account (Figure 10-19).

For internal number assignments, the system counts upward sequentially from the number shown in the Number field. For buildings, properties, and rental objects, the system assigns the number per business entity when an internal number assignment is used. This number is unique within the business entity. The next assigned number for these objects is therefore not identical with the number shown here.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Master Data ➤ Usage View ➤ Building ➤ Building Number Range

		ange Object Bu	🐨 🖪 🔠 🖬			
Subo		From No.	To No.	NR Status	Ext.	
0001		00000001	00009999			
AR01	01	00000001	00009999			
MC01	01	00000001	00009999			
RECO	01	00000001	00009999			
REOB	01	00000001	00009999			
RERF	01	00000001	00009999			
SG01	01	00000001	00009999			
			Group descrip	otion	Cell Content	
			Subobject		0001	
			Number rang From No.	e number	01 00000001	
			To No.		0000001	
			10 NO.		00003333	

Figure 10-19. Number range intervals for buildings

CHAPTER 10 ■ STEP-BY-STEP GUIDE FOR CONFIGURING AND IMPLEMENTING SAP REFX

Maintain Buildings Types

Here, you define the types of buildings, like shopping mall, residential building, and so on, you are managing (Figure 10-20).

Transaction Code

SPRO

Menu Path

 $IMG \succ Flexible Real Estate Management (RE-FX) \succ Master Data \succ Usage View \succ Building \succ Building Types$

Change View "Type of object": Overview

🦻 Ne	w Entries 🛯 🛍 🔂		
ObjT.	Object type	Object type	6
10	Shopping mall	Shopping mall	- 6
2	Resident.build.	Residential building	Ē
3	Business prem.	Business premises	
4	Resid./Commerc.	Resid.and commercial property	

Figure 10-20. Buildings types

Maintain Usage Types for Buildings

Here, you specify the main usage type of the building (Figure 10-21). This attribute defines the usage of the building.

We have defined the following usage types:

- Commercial shops
- Apartments
- Offices

Transaction Code

SPRO

Menu Path

 $IMG \succ Flexible Real Estate Management (RE-FX) \succ Master Data \succ Usage View \succ Building \succ Main Usage Types$

Change	View "Main usage typ	oes (properties, buildings)": Overview
🌮 New En	tries 🐚 🔂 🕼 🗟 🖪	
MUsagTyp	Main usage type	
00000001	Apartments	A
00000002	Office shops	•
00000003	commercial shops	

Figure 10-21. Main usage types

Maintain Number Range Intervals for Rental Objects

Here, you can specify how the number assignment is handled for this usage object. The specification applies uniformly for the company code. Note that the system only takes the setting for interval "01" into account (Figure 10-22).

For the internal number assignment, the system counts upward sequentially from the number shown in the Number field. For buildings, properties, and rental objects, the system assigns the number per business entity when an internal number assignment is used. This number is unique within the business entity. The next assigned number for these objects is therefore not identical to the number that is shown here.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Master Data ➤ Usage View ➤ Rental Object ➤ Number Range for Rental Objects

Display Num	nber Range Interval	s	
NR Object	Rental unit per BE		
Subobject	MI01		
,			
Intervals			
No. From numb	er To number	Current number	Ext
01 00003000	00009999	3000	

Figure 10-22. Number range intervals for rental objects

Maintain External Usage Types for Rental Objects

In this section, you will specify the external usage types for rental objects (Figure 10-23) and assign an internal usage type to them. In addition, you can specify here if a usage type should participate in settlements or not.

The usage type specifies:

- Which screen sequence is used for master data maintenance of the rental object
- Which rental object types (rental unit or pooled space/rental space) are allowed
- Which condition types are allowed for the rental object (by assigning a condition group per usage type)

Although assigning an internal usage type is mandatory, the assignment is informational only.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Master Data ➤ Usage View ➤ Rental Object ➤ Usage Type ➤ Usage Types

Change View "External Usage Types": Overview

	9 N	lew Entries 🐚 🖬 🕼 🕼					
	Exter	nal Usage Types					
Γ	UT	Usage Type Medium Name	Short Name	Sett.	IUT	IntUsageTypeNa	Cat
Γ	10	mmercial shops	Commercial shop		3	Commerc.ten.law	2 Commercial
Г	2	Apartments	Apartments		1	Priv.fin.accomm	1 Non-commercial
	3	Office purposes	Office purposes		3	Commerc.ten.law	2 Commercial

Figure 10-23. External usage types for rental objects

Assign Usage Types to Rental Object Types

In this section, you will specify which usage types can be used exclusively for which rental object types (Figure 10-24).

You have to assign usage types to rental types as needed. Note that a usage type that is not assigned to all rental object types is not valid for the other rental object types. If you want a usage type to be valid for all rental object types, then you either have to assign it to all rental object types or to none.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Master Data ➤ Usage View ➤ Rental Object ➤ Usage Type ➤ Usage Types per Rental Object Types

Change View "Assign Usage Types to Rental Object Types": Overview

1	New E	ntries 🛅 🖬 🕼 🖪 🖪	R	
As	sign Us	age Types to Rental Object Type	es	
RC	Us.	Usage Type Text	Scree	Screen Sequence: Name
RU	1	Commercial shops	RERO	(a)ndard
RU	2	Apartments	RERO	Standard
RU	3	Office purposes	RERO	Standard

Figure 10-24. Assign Usage Types to Rental Object Types screen

Maintain Measurement Types per Usage Types

In this step, you can create specifications for measurement types for rental objects that apply for individual usage types (Figure 10-25).

You have defined which measurement types are allowed in general for rental objects in the Measurement Types IMG activity.

You assigned external usage types to the rental object types in the Usage Type per Rental Object Type IMG activity.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Master Data ➤ Usage View ➤ Rental Object ➤ Usage Type ➤ Measurement Types per Usage Type

Chang	e View "Measu	iremen	nts for Renta	l Objects"	: Overview	
New	Entries 🐚 🔂 🕼		2			
Measurer	nents for Rental Object	ts				
MeasTp	Short Meas Type	Us	Usage Type	MainMeas.	Measurement Type Use	DefUnit
A004	Living Area	1	Priv.fin.accomm	1	Property Is Default for Object (on Sc *	M2
A100	Retail Space	4	Store	₹	Property Is Default for Object (on Sc *	M2
A101	Office space	5	Office	✓	Property Is Default for Object (on Sc *	M2
M020	Share of Garden	1	Priv.fin.accomm		Property Is Allowed for Object	%

Figure 10-25. Measurement types per usage types

CHAPTER 10 ■ STEP-BY-STEP GUIDE FOR CONFIGURING AND IMPLEMENTING SAP REFX

Maintain Floor Descriptions

In this section, you will create the storeys' names for buildings and define a number for each storey (Figure 10-26).

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Master Data ➤ Usage View ➤ Rental Object ➤ Attributes ➤ Floor Descriptions

Fir	Fir	Floor description	Floor desc.	StoNo	
0	0	Do not use: Initialization	Initial		
10	B1	Restrcited Zone	Basement	4,0-	
11	TF	Un restrcited Zone	Top Floor	999,0	
96	B1	4. Basement	 Basement 	4,0-	
97	B 3	3. Basement	3. Basement	3,0-	
98	B2	2. Basement	2. Basement	2,0-	
99	B1	Basement 1.	Basement 1.	1,0-	
100	GF	Ground floor	Ground floor		
101	1	1st floor	1st floor	1,0	
102	2	2nd floor	2nd floor	2,0	
103	3	3rd floor	3rd floor	3,0	
104	4	4th floor	4th floor	4,0	
105	5	5th floor	5th floor	5,0	
106	6	6th floor	6th floor	6,0	
107	7	7th floor	7th floor	7,0	
108	8	8th floor	8th floor	8,0	
109	9	9th floor	9th floor	9,0	

Figure 10-26. Floor descriptions

Contracts in REFX

Maintain Number Range Intervals for Contracts

In this activity, you will specify how number assignment is handled for your contracts (Figure 10-27). The specification applies for the company code entered. You can assign number range intervals to individual contract types.

For an external number assignment, you can specify the number range for the contract.

For an internal number assignment, the system counts upward sequentially from the number shown in the Number field.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Contract ➤ Number Assignment ➤ Number Range for Contracts

nterval Mainten	ance: Number Ra	nge Object No.	Range RE	Cntrc
N. From No.	To Number	NR Status	Ext	
0000000000000	0000001999999	1		-
02 0000002000000	0000002999999	0		-

Figure 10-27. Number range intervals for contracts

Define Contract Types

In this section, you will specify contract types (Figure 10-28). The contract type controls the purpose of the contract (Figure 10-29).

The contract types used here are commercial lease-out.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Contract ➤ Contract Type ➤ Define Contract Types

Change View "Contract Type":	Overview
🎾 🕄 New Entries 🗈 🖶 🐼 🗟 🖪	
Contract Type New Entries (F5)	
Co Cont. Type	•••
AS01 Assessment Contract	
CM01 Condo. Management Contract	
C001 Commercial lease-out	
C002 Residential Lease-Out	
C003 Service Contract (Customer)	
C004 Internal Lease-Out	
CU01 Commercial Lease-In	
CU02 Residential Lease-In	
CU03 Service Contract (Vendor)	
CU04 Internal Lease-In	
CX01 G/L Account Contract	
0001 Secur.Deposit Lease-Out Comm.	
0002 Secur.Deposit Lease-Out Res.	
LM01 Municipal Fee Notice	
L001 Customer Right of Use Contract	
L002 Cust. Contr.Changing Holdings	
L003 Customer Land Lease Contract	
LU01 Vendor Right of Use Contract	
LU02 Vend. Contr.Changing Holdings	

Figure 10-28. Contract types

Change View "Contract Type": Details					
🞾 New Entries 項 🚡	. 🗠 🖬 👪 🚛				
Contract type C001	Flex. RE Type				
Obsolete					
Contract Type					
Contr.type text	Commercial lease-out				
Contract type text	Comm. lease-out				
Contract Category	External Contract				
Offerer/User	Offerer 👻				
Contract Reference	Objects Are Leased-Out				
Contr.Type Dep.Agrmt	D001 Secur.Deposit Lease-Out Comm.				
Influence Holdings	No Influence on Holdings				
Maintenance					
Screen Sequence	Like Std Screen Sequence, but wi 💌				
Conditions					
Condition Group	Customer Contract - Commercial CF Period 2				
Condition Grp Total	▼				
Partner Management					
Application Category	General Real Estate Contract				
Partner Role MCP 1	TR0600 Master Tenant with Customer Ac				
Partner Role MCP 2					

Figure 10-29. Contract Types screen: Details

Assign Objects to Contract Types

Here, you will specify for each contract type (differentiation criterion) which objects can be assigned to it (Figure 10-30). You can also assign real estate objects (in contrast with master data objects) as assignment objects. In addition, you can specify that these objects can be grouped together into object groups.

Transaction Code

SPRO

Menu Path

 $IMG \succ Flexible Real Estate Management (RE-FX) \succ Contract \succ Objects \succ Permitted Object Types per Contract Type$

Change View "Assignment of Objects to Contract": Overview

🎾 🕄 New Entries 🛍 🕞 🛷 🖶 🖳											
Assig	nme	ent of Objects to Contract									
Type	OTy	Obj. Type	DifCrt	Diff. Criterion	Asgn.Obj.Type	Assignment Object Type	0	D	Grp	Assignment Opt.	
IS	REC	Real Estate Contract	C081	Commercial lease-out	IL	Object Group				Free	٦
IS	REC	Real Estate Contract	C081	Commercial lease-out	IM	Rental Object		V	V	Free	٦
IS	REC	Real Estate Contract	C082	Residential Lease-Out	IL	Object Group	V	V		Free	٦
IS	REC	Real Estate Contract	C082	Residential Lease-Out	IM	Rental Object				Free	٦

Figure 10-30. Assign objects to contract types

Define Contract Types to Propose for Usage Types

Here, you can specify which contract types are allowed for which usage types of a rental object (Figure 10-31).

You should use this step to enter contract types that are solely for commercial rentals or solely for residential rentals. This assignment is only a means of assisting you when you enter the contract. The system checks if all rental objects for the contract have the correct contract type. If they do not, the system normally issues a message as a warning.

If you use different contract types for leasing commercial objects than you do for leasing apartments, then you should assign these usage types to the contract types accordingly.

Transaction Code

SPRO

Menu Path

IMG \succ Flexible Real Estate Management (RE-FX) \succ Contract \succ Objects \succ Define Contract Types to Propose for Usage Types

Change View "Allowed Usage Types per Contract Type": Overview

🎾 New Entries 🗈 🖬 🔂

Allowed Usage Types per Contract Type					
Co	D	Contr.type text	Us	Usage type of RU	
AS	01	Assessment Contract	1	Privately-financed accommodat.	
AS	01	Assessment Contract	2	Public-authority supp.accommod	
CM	101	Condo. Management Contract	1	Privately-financed accommodat.	
CM	01	Condo. Management Contract	2	Public-authority supp.accommod	
CO	01	Commercial lease-out	3	Medical practice	
CO	01	Commercial lease-out	4	Store	
CO	01	Commercial lease-out	5	Office	
CO	01	Commercial lease-out	6	Warehouse	
CO	01	Commercial lease-out	7	Advertising space	
CO	01	Commercial lease-out	8	Vending machine space	
CO	01	Commercial lease-out	10	Garage (commercial)	
CO	01	Commercial lease-out	12	Garage (mixed use)	
CO	01	Commercial lease-out	40	Terminal	
CO	01	Commercial lease-out	41	Terminal - Check-in	
CO	01	Commercial lease-out	42	Terminal - Lounge	
CO	01	🕝 mmercial lease-out	43	Terminal - Trading stall	
CO	02	Residential Lease-Out	1	Privately-financed accommodat.	
CO	02	Residential Lease-Out	2	Public-authority supp.accommod	

Figure 10-31. Contract types to propose for usage types

Define Renewal Rules for Contracts

In this step, you will specify the rules for the renewal of real estate contracts (Figure 10-32). There are two types of contracts:

- Without fixed term (no renewals, since there is no defined contract end)
- With fixed term (renewal rules used)

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Contract ➤ Renewal ➤ Renewal Rules

Change View "Ren	ewal Rules": Overview		
🎾 🕄 New Entries 🗈 🖥			
Dialog Structure	Renewal Rules		
C Renewal Rules	RRul Renewal Rule Name	Autom. Renewal Type	Text Module Name
Extension Periods	1998 2 Options for 3 Years; 3 months Notice Period	One or More Repetitions	1000
	1188 1 Option for 5 Years; 1 Year Notice Period	One or More Repetitions	1100
	1200 2 Options for 1 Year, 6 Months Notice Period	One or More Repetitions	1200
	1388 2 Options for 5 Years; 1 Year Notice Period	One or More Repetitions	1300
	2000 1 Renewal of 1 Year, 3 Months Notice Period	One or More Repetitions	2000
	2100 Recurring Renewal of 1 Year, 3 Months Notice Period	R Repetition of Last Rule	1 2100
	3000 1 Option and 1 Renewal, Each for 1 Year, 3 Mo. Notice Period	One or More Repetitions	3000

Figure 10-32. Renewal rules for contracts

Define Notice Procedures

In this step, you can create notice procedures with multiple notice rules (Figure 10-33). This applies, for example, to contract terms in which different periods of notice apply for the contractee (tenant) and contractor (landlord).

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Contract ➤ Notice ➤ Notice Procedures

Change View "Notice Procedures": Overview

🦅 🕄 New Entries 👔 🗗		
Dialog Structure	Notice Procedures	
V Divice Procedures	Noti_Notice Procedure Name	Text Module Name
Cancellation Rules	1000 For Both Parties: 3 Months for End of Month (3rd Bus.Day)	1000
	1188 For Both Parties: 3 Months for End of Quarter (3rd Bus.Day)	1100
	2000 Standard Residential (DE)	2000

Figure 10-33. Notice Procedures screen

Conditions and Flows in REFX

Define Calculation Formulas

Calculation formulas are used to calculate the condition amount. The calculation formula may be based on a number of predefined formulas, or an enhancement may be developed to meet specific customer requirements. The calculation formulas, as shown in Table 10-1 and Figures 10-34 and 10-35, will be configured for use on real estate contracts.

Table 10-1. Calculation Formulas

Ext Rule	Calculation Formula Name
A	Fixed Amount

Transaction Code

SPRO

Menu Path

 $IMG \succ Flexible Real Estate Management (RE-FX) \succ Conditions and Flows \succ Calculation and Distribution Formulas \succ Calculation Formulas$

Chan	ge View "Maintain External Calculation Rule": Overview
9 🤉	New Entries 🔋 🔂 🕼 🗒 🖪
Maintair	n External Calculation Rule
ExtRu	ClcFrmName
λ	Fixed Amount
В	Resid./Usable Space in m2
С	Parking Spaces
D	Object Measurement
E1	% Share in a Condition
E2	% Share in Source Condition
E3	% Share in Condition Group
F	Condition Group Factor
F1	Security Deposit
G	Rental Object Condition
01	Amount per Object
02	Amount per Rental Obj. Status
03	Amount per Tenant Changeover
σ	Sales-Based Rent
V	Differing Measurement
W	Co-Ownership Share

Figure 10-34. Calculation formulas

Change View "Maintain External Calculation Rule": Details				
💖 New Entries 🐚 🖬	10 1			
External Formula	λ			
Maintain External Calculation	1 Rule			
Short name	Fixed Amount			
Medium name	Fixed Amount			
Long name	Fixed Amount			
Internal Formula	Fixed Amount			
External Distrib.	Divided Equally			
Unit Price				
Rounding Cat.	Currency Rounding Places Unit 0			
Condition Amount				
Rounding Cat.	Currency Rounding Places 0 Unit 0			
Gross/Net	Based on Gross/Net Indicator			
Parameter 1				
No Parameters				
Applic.Fld Mod.	Hide 💌			
Parameter 2				
No Parameters				
Applic.Fld Mod.	Hide 💌			

Figure 10-35. Calculation formulas: Details

Maintain External Distribution Rule: Distribution Formulas

Distribution formulas are used to distribute the condition amount to real estate objects if there are multiple objects assigned to the real estate contract (Figure 10-36 and Figure 10-37). The distribution formula may be based on a number of predefined formulas, or an enhancement may be developed to meet specific customer requirements. The following distribution formulas will be configured for use on real estate contracts.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Conditions and Flows ➤ Calculation and Distribution Formulas ➤ Distribution Formulas

Change View "Maintain External Distribution Rule": Overview			
9 🕄	New Entries и 🕞 🕼 🖪 🖪		
Maintair	External Distribution Rule		
ExtDF	DstFrmName		
A	Divided Equally		
В	Resid./Usable Space in m2		
с	Any Area		
D	Object		
DSU	Settlement Unit		
G	Aggregation		
М	Object Measurement		
v	Differing Measurement		
W	Co-Ownership Share		

Figure 10-36. Maintain external distribution rule, distribution formulas

Change View "Maintain External Distribution Rule": Details			
🞾 New Entries 🗈 🖬 🖬	0 9 8 3		
External Formula			
Maintain External Distribution	Rule		
Short name	Divided Equally		
Medium name	Divided Equally		
Long name	Divided Equally		
Internal Formula	Divided Equally		
Distrib. Object Type	Any 👻		
Full Distribution	No Distribution of Rounding Differences		
✓ Direct Distribution, If Uniqu	e		
Perform Completeness Che	ck		
Parameter 1			
No Parameters			
Applic.Fid Mod.	tide 🔹		
Parameter 2			
No Parameters			
Applic.Fld Mod.	ide 🔹		

Figure 10-37. Maintain external distribution rule, distribution formulas: Details

Define Condition Types

In this section, you will specify condition types for your real estate contracts (Figure 10-38 and Figure 10-39). Condition types are the most visible component of lease accounting to the user. The selection of a condition type on the real estate contract drives the account assignment and the accounting treatment in the case of FAS13 straight-lining. Condition types are assigned to condition groups, which are assigned to contract types.

It is recommended that the condition type name indicates what kind of process it will be used for payable or receivable. Since condition types are assigned to contract types via condition groups, the distinction is not mandatory, but it may aid the user in reporting and analysis.

This relationship ensures that only condition types that are applicable for a contract type are available for use by the user.
Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Conditions & Flows ➤ Condition Types and Condition Groups ➤ Define Condition Types

_					
A DATE OF A DESCRIPTION OF	n Types				
CdTyp	Short Name	Long Name	Attribute	Revenue	1
10	Basic rent	Basic Rent		-	
11	Office Basic Rent	Office Basic Rent		•	
12	Warehouse basic rent	Warehouse basic rent		•	
13	Store Basic Rent	Store Basic Rent	Minimum Sales-Bas	-	
15	Parking/garage rent	Parking space/garage rent		-	
19	Rent Reduction	Rent Reduction		•	
20	Maintenance cost	Maintenance cost	Advance Payment	•	
21	Heating exp.adv.pmnt	Heating exp.adv.pmnt	Advance Payment	•	
22	Serv.charge OC/HE AP	Service charge OC/HE Adv.Pmnt	Advance Payment	-	
23	Elevator adv.payment	Elevator advance payment	Advance Payment	-	
30	OC flat rate	Operating costs flat rate	Flat Rate	-	
31	HE flat rate	Heating expenses flat rate	Flat Rate	-	
32	SC flat rate	SC flat rate (OC + HE)	Flat Rate	-	
33	Elevator flat rate	Elevator flat rate	Flat Rate	-	
40	AP Op.Costs Revenue	AP Operating Costs Revenue	Advance Payment	• •	
41	AP Heating Costs Rev	AP Heating Costs Revenue	Advance Payment	• •	
42	AP OC+HC Revenue	AP Serv.Charge OC+HC Revenue	Advance Payment	• •	

Figure 10-38. Condition types

CHAPTER 10 ■ STEP-BY-STEP GUIDE FOR CONFIGURING AND IMPLEMENTING SAP REFX

-	Condition Types": Details
🎾 New Entries 🗎	🖬 🖉 📓 📓
ondition Type	10
Condition Types	
	· · · · · · · · · · · · · · · · · · ·
Short Name	Basic rent
Long Name	Basic Rent
Attribute	· · · · · · · · · · · · · · · · · · ·
Flow Type	1000 Basic rent Revenue
Flow Type Default Values Unit Price	1000 Basic rent Revenue
Default Values	1000 Basic rent Revenue Fixed Amount Fixed Amount
Default Values Unit Price	
Default Values Unit Price Calculation Formula	
Default Values Unit Price Calculation Formula Parameter 1	
Default Values Unit Price Calculation Formula Parameter 1 Parameter 2	Fixed Amount

Figure 10-39. Condition types: Details

Define Condition Groups

Conditions are assigned to condition groups, which are assigned to contract types (Figure 10-40). This assignment helps simplify the selection of conditions when creating a contract. In this step you will define condition groups and assign condition types to them, which are as follows:

- Per contract type (customer, vendor, and so on)
- Per usage type of the rental object (commercial, residential, and so on)

Condition groups are mandatory. The only conditions available in the contract or rental object are those that you have assigned to the given condition group for that contract or object.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Conditions & Flows ➤ Condition Types and Condition Groups

Change View "Condition Group": Overview

🦅 New Entries 🗎 🛃 🖄		
Dialog Structure	Cond	ition Group
Condition Group	Co	CondGrName
Assignment of Condi	C000	Customer Contract - General
	C001	Customer Contract - Commercial
	C002	Customer Contract- Residential
	D000	Security Deposit Agreement

Figure 10-40. Condition groups

Assign Condition Types to Condition Groups

Here, you will assign the condition types to the condition groups defined earlier (Figure 10-41).

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Conditions & Flows ➤ Condition Types and Condition Groups ➤ Condition Groups ➤ Define Condition Groups & Assign Condition Types

CHAPTER 10 ■ STEP-BY-STEP GUIDE FOR CONFIGURING AND IMPLEMENTING SAP REFX

🖗 New Entries 🚺 🔂 🕼		B						
Dialog Structure	Condition	Grp C001						
 Condition Group Assignment of Condition 	Cond.Grp	Name Customer Cont	ract - Commerc	tal				
	Assignm	ent of Condition Types to	Condition Gro	up				
	CdTyp	ConditionType	Sequence	Condition Purp.		Adjustment Rule	Hidden	Obsolete
	10	Basic rent	10	Actual Rent	*			
	11	Office Basic Rent	13	Actual Rent	*			
	12	Warehouse basic rent	15	Actual Rent	*			
	13	Store Basic Rent	16	Actual Rent				
	15	Parking/garage rent	400	Actual Rent	-			
	20	Maintenance cost	20	Actual Rent	-	Service Charge Settlem.		
	21	Heating exp.adv.pmnt	30	Actual Rent	•	Service Charge Settlem.		
	22	Serv.charge OC/HE AP	40	Actual Rent		Service Charge Settlem.		
	23	Elevator adv.payment	50	Actual Rent	•	Service Charge Settlem.		
	30	OC flat rate	60	Actual Rent	•	Service Charge Settlem.		
	31	HE flat rate	70	Actual Rent	•	Service Charge Settlem.		
	32	SC flat rate	80	Actual Rent	•	Service Charge Settlem.		
	33	Elevator flat rate	90	Actual Rent	*	Service Charge Settlem.		
	60	Sales-Based Rent		Actual Rent	*			

Figure 10-41. Assign condition types to condition groups

Assign Condition Groups to Rental Objects per Usage Type

In this step, you will assign condition groups, which you created for rental object conditions, to usage types of rental objects (Figure 10-42).

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Conditions & Flows ➤ Condition Types and Condition Groups ➤ Condition Groups ➤ Assign Condition Group to Rental Object per Usage Type

Change View "Condition Group for Rental Object per Usage Type": Overvi

1				
Con	dition Group for Rental Object	per Usage Type		
Us	RU UseType	Co	CondGrName	
10	mmercial shops	C001	Customer Contract - Commercial	
2	Apartments	C082	Customer Contract- Residential	•
3	Office purposes	C001	Customer Contract - Commercial	

Figure 10-42. Assign condition groups to rental object per usage type

Assign Condition Groups to Contract per Contract Type

In this step, you will assign the condition groups, which you created for contract conditions, to contract types (Figure 10-43).

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Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Conditions & Flows ➤ Condition Types and Condition Groups ➤ Condition Groups ➤ Assign Condition Group to Contract per Contract Type

				_
ondition Grou	p for Contract per Contract Type			
Cont. Type	Cont. Type	Cond.Grp	CondGrName	
S01	Assessment Contract	AS01	Assessment Contract	٠
M01	Condo. Management Contract	MN02	Management - Credit Side	-
2001	Commercial lease-out	C001	Customer Contract - Commer	-
002	Residential Lease-Out	C002	Customer Contract- Residenti	
003	Service Contract (Customer)	C000	Customer Contract - General	
004	Internal Lease-Out	C000	Customer Contract - General	
2001	Commercial Lease-In	CUOO	Vendor Contract	
002	Residential Lease-In	CUOO	Vendor Contract	
003	Service Contract (Vendor)	COOO	Vendor Contract	
2004	Internal Lease-In	COOO	Vendor Contract	
X01	G/L Account Contract	C000	Customer Contract - General	
0001	Secur.Deposit Lease-Out Comm.	D000	Security Deposit Agreement	
002	Secur.Deposit Lease-Out Res.	D000	Security Deposit Agreement	
LM01	Municipal Fee Notice	COOO	Vendor Contract	
IMPT		PTX		
.001	Customer Right of Use Contract	C001	Customer Contract - Commer	-
.002	Cust. Contr.Changing Holdings	C001	Customer Contract - Commer	-

Figure 10-43. Assign condition groups to contract per contract type

Define Flow Types

In this step, you will define flow types (Figure 10-44). This is a prerequisite for creating condition types and for account determination. Flow types classify flows in the following:

- Cash flow
- Accounting

The conditions are assigned to flow types, which are tied to the account determination. Flow types specify how conditions will be treated within the cash flow and account determination. It is through the flow type that a condition is specified as either a debit or a credit posting. Accrual and deferral types may also be defined at this point.

CHAPTER 10 STEP-BY-STEP GUIDE FOR CONFIGURING AND IMPLEMENTING SAP REFX

For some transactions, it is not possible to post using the flow type originally assigned (that is derived from the condition type). For these transactions, you have to assign a reference flow type. You make this assignment using a relationship key in the Assign Reference Flow Types IMG activity in the next section.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Conditions & Flows ➤ Flow Types ➤ Define Flow Types

	Types					_	-
FTyp	Flow Type Name	D/C		AcrType(Ac	AcrTyp(Def	FTyp	
1000	Basic rent	S Debit Posting		ANRVCN	TRRVCN		
1001	Basic rent receivable	S Debit Posting		ANRVCN	TRRVCN		ļ
1002	Basc rnt credit follup post.	H Credit Posting		ANCOCN	TRCOCN		I.
1003	Basic rent vacancy	S Debit Posting					
1013	Installment Payments	S Debit Posting					
1014	Writeoff of Irrecoverable Debt	H Credit Posting					
1023	Vac.basic rent follow-up post.	S Debit Posting					
1033	Vac. basic rent f.u.cred.post	H Credit Posting					
1040	Basic rent transfer	H Credit Posting		ANCORO	TRCORO		
1100	Office basic rent	S Debit Posting		ANRVCN	TRRVCN		
1101	Office basic rent receivable	S Debit Posting		ANRVCN	TRRVCN		
1102	Cr.office basic rent f.u.post.	H Credit Posting		ANCOCN	TRCOCN		
1103	Vacany office basic rent	S Debit Posting					
1123	Vac.office basic rent f.u.post	S Debit Posting					
1133	Vac. office basic rent c.f.u.p	H Credit Posting					
1300	Commercial Basic Rent	S Debit Posting		ANRVCN	TRRVCN		
1301	Commercial basic rent recvbl.	S Debit Posting	1	ANRVCN	TRRVCN		
1302	Comm.basic rent foll-up credit	S Debit Posting	1	ANCOCN	TRCOCN		
1303	Commercial basic rent vacancy	S Debit Posting	1				
1323	Comm. basic rent vac. foll-up	S Debit Posting					
1333	Comm. basic rent vac. f.u.cred	H Credit Posting					i
1340	Commercial basic rent transfer	H Credit Posting		ANCORO	TRCORO	+	ī

Change View "Flow Types": Overview

Figure 10-44. Flow types

Assign Reference Flow Types

In this step, you will assign reference flow types to flow types (Figure 10-45).

With certain business transactions, postings cannot be made using the flow type that was originally assigned (the flow type derived from the condition type). For such transactions, reference flow types must be assigned. You will create these assignments in this activity using a relationship key. As an example, if a condition was increased after the periodic processing run, a follow-up posting is required to post the

incremental condition increase. In this case, a reference flow type 10—"Follow-Up Posting Due to Condition Increase"—is used to record the entry. If the condition was decreased after the periodic processing run, a follow-up posting is also required to post the incremental condition decrease. In this case, a reference flow type 20—"Follow-Up Posting Due to Condition Decrease"—is used to record the entry. The flexibility of using different flow types allows for posting adjustments to different GL accounts if required.

The periodic processing program also generates the transfer postings. The transfer posting reverses the posting on the contract and posts the transaction amount to the building/property real estate object. A reference flow type of 30—"Distribution Transfer Posting"—is also assigned to a flow type.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Conditions & Flows ➤ Flow Types ➤ Assign Reference Flow Types

Change View "Assignment of Reference Flow Types": Overview

💅 New Entries 👔 🖬 🕼 🖪 🖪

Assignment of Reference Flow	Types			
Relation	Flo	Flow Type Name	Ref	Flow Type Name
10 Follow-Up Postings Du	1000	Basic rent	1001	Basic rent receivable
10 Follow-Up Postings Du	1100	Office basic rent	1101	Office basic rent receivable
10 Follow-Up Postings Du	1 3000	Maintenance Costs	3001	Maint Cost flat rate recbl
10 Follow-Up Postings Du	1 5500	Management Costs	5501	Receivable Management Costs
20 Follow-Up Postings Du	1000	Basic rent	1002	Basc mt credit follup post.
20 Follow-Up Postings Du	1100	Office basic rent	1102	Cr.office basic rent f.u.post.
20 Follow-Up Postings Du	3000	Maintenance Costs	3002	Maint Costs f.u. credit
20 Follow-Up Postings Du	5500	Management Costs	5502	FollPost. Mgmt Costs Credit
30 Distribution Postings	1000	Basic rent	1040	Basic rent transfer
30 Distribution Postings	3000	Maintenance Costs	3040	Maint Costs transfer
30 Distribution Postings	3001	Maint Cost flat rate recbl	3041	Main Costs transfer f.u.p.
30 Distribution Postings	3002	Maint Costs f.u. credit	3042	Maint Costs trsfr f.u. credit
30 Distribution Postings	5500	Management Costs	5540	Transfer Management Costs
30 Distribution Postings	5501	Receivable Management Costs	5541	Trsfr Recvbl Management Costs
30 Distribution Postings	5502	FollPost. Mgmt Costs Credit	5542	Trsfr FollPost. Mgmt Costs Cr.
60 Vacancy	1000	Basic rent	1003	Basic rent vacancy
60 Vacancy	1001	Basic rent receivable	1023	Vac.basic rent follow-up post.
60 Vacancy	1002	Basc rnt credit follup post.	1033	Vac. basic rent f.u.cred.post.
60 Vacancy	1100	Office basic rent	1103	Vacany office basic rent
60 Vacancy	1101	Office basic rent receivable	1123	Vac.office basic rent f.u.post
	1102	Cr.office basic rent f.u.post.	1133	Vac. office basic rent c.f.u.p
60 Vacancy	3000	Maintenance Costs	3003	Vacancy Maint Costs flat rate

Figure 10-45. Assign reference flow types

Assign Flow Types to Condition Types

You can assign defined flow types to the condition type (Figure 10-46). Assign the flow types that you want to be used for the periodic posting for external contracts. The system derives all other flow types from the reference flow types.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Conditions & Flows ➤ Flow Types ➤ Assign Flow Type to Condition Type

2 🤮	New Entries 🛯 🔂 妃				
Conditio	n Types				
CdTyp	Short Name	Long Name	Attribute	Revenue	
ho	Basic rent	Basic Rent		-	-
11	Office Basic Rent	Office Basic Rent			1
12	Warehouse basic rent	Warehouse basic rent			۲
13	Store Basic Rent	Store Basic Rent	Minimum Sales-Bas		
15	Parking/garage rent	Parking space/garage rent			
19	Rent Reduction	Rent Reduction			
20	Maintenance cost	Maintenance cost	Advance Payment		
21	Heating exp.adv.pmnt	Heating exp.adv.pmnt	Advance Payment		
22	Serv.charge OC/HE AP	Service charge OC/HE Adv.Pmnt	Advance Payment		
23	Elevator adv.payment	Elevator advance payment	Advance Payment		
30	OC flat rate	Operating costs flat rate	Flat Rate		
31	HE flat rate	Heating expenses flat rate	Flat Rate		
32	SC flat rate	SC flat rate (OC + HE)	Flat Rate		
33	Elevator flat rate	Elevator flat rate	Flat Rate		
40	AP Op.Costs Revenue	AP Operating Costs Revenue	Advance Payment		
41	AP Heating Costs Rev	AP Heating Costs Revenue	Advance Payment		
42	AP OC+HC Revenue	AP Serv.Charge OC+HC Revenue	Advance Payment		

Figure 10-46. Assign flow types to condition types

Accounting in REFX

We need to carry out the following activities to configure accounting in the SAP REFX system.

Define Tax Types

In this activity you will enter the necessary tax types (Figure 10-47). Specifying tax types is mandatory. Tax types are country dependent. You can define multiple tax types for each country.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Accounting ➤ Automatically Generated Accounting Documents ➤ Taxes ➤ Define Tax Types



Figure 10-47. Tax types

Create Tax Groups

Specifying tax groups is mandatory. The tax group determines the tax rate for a transaction. The tax group, together with the country, the tax type, and possibly the region, determines the tax percentage rate.

The following tax groups, as shown in Table 10-2 and Figure 10-48, have been defined.

Table 10-2. Tax Groups

Tax Group	Meaning
Full	Full tax rate
Half	Half tax rate
None	No taxation

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Accounting ➤ Automatically Generated Accounting Documents ➤ Taxes ➤ Create Tax Groups

Change View "Tax Groups": Overview

New Entries	à 🖬 🗠 🖻 🖻 🖻	
Tax Groups		
Tax Group	Tax Group	Tax Exemp
FULL	Full Tax Rate	
HALF	Half Tax Rate	
NONE	Tax Exempt	Image: A start of the start

Figure 10-48. Tax groups

Maintain Default Values for Tax Rate per Contract Type

Here you will specify, per contract type, which tax group and which tax type is the default when you create a contract (Figure 10-49).

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Accounting ➤ Automatically Generated Accounting Documents ➤ Taxes ➤ Default Values for Tax Rate per Contract Type

fault Values for Tax Type/Grou	q				
Typ Contr. Type	Tax-Exempt	TT	Tax Type	Default Tax Group	Tax Group
01 Assessment Contract		MWST	Output Tax	NONE	Tax Exempt
101 Condo. Management Co		MVST	Input Tax	NONE	Tax Exempt
01 Commercial lease-out		MWST	Output Tax	FULL	Full Tax Rate
02 🗇 sidential Lease-Out		MWST	Output Tax	NONE	Tax Exempt
03 Service Contract (Custo		MWST	Output Tax	FULL	Full Tax Rate
04 Internal Lease-Out	✓				
01 Commercial Lease-In		MVST	Input Tax	FULL	Full Tax Rate
02 Residential Lease-In		MVST	Input Tax	FULL	Full Tax Rate
03 Service Contract (Vendor)		MVST	Input Tax	FULL	Full Tax Rate
04 Internal Lease-In		MVST	Input Tax	NONE	Tax Exempt
01 G/L Account Contract	✓				
01 Secur.Deposit Lease-Out		MWST	Output Tax	NONE	Tax Exempt
02 Secur.Deposit Lease-Out		MWST	Output Tax	NONE	Tax Exempt
01 Municipal Fee Notice					
(PT					
01 Customer Right of Use C					

Figure 10-49. Default values for tax rate per contract type

Account Symbols

Here you will specify the account symbols (Figure 10-50).

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Accounting ➤ Automatically Generated Accounting Documents ➤ Account Determination ➤ Account Symbol

ccount Symbols			
Account Symbol	Account Symbol Name		
6	No Account Needed		-
100	Debit-Side Rent Revenue		-
101	Debit-Side Other Revenue		
102	DebSide Flat-Rate OC Revenue	Je	
106	Debit-Side Rent Revenue Own	Use	
107	Db-Side Clearing AP OC OwnU	se	
108	Vacancy: Imputed Rent Exper	se	
109	Vacancy: Imputed Rent Reven	ue	
110	Db-Side RentEarnings Reduction	n	
113	Own Use: Rent Expense		
118	Vacancy: Modernization Expen	se	
200	SCS: Fuel Opening Amount		
201	SCS: Fuel Addition		
202	SCS: Fuel Removal		
204	SCS: Settlement Vacancy OC		
205	SCS: Revenue		
206	SCS: Settlement Own Use OC		-
	< >	4	•

Figure 10-50. Account symbols

Assign Account Symbols to Flow Types

Here you will assign account symbols to flow types (Figure 10-51).

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Accounting ➤ Automatically Generated Accounting Documents ➤ Account Determination ➤ Assign Account Symbol to Flow Type

206

	t Data and a	1	_		-	
	Acct Data	Flow Type Name	0	Debit Account S	6	Cradit Account
1000	Acce Dece	Basic rent		D*	-	100
1001	7	Basic rent receivable		D*	£	100
1002		Basc mt credit follup post.	s	100	D	D*
1003		Basic rent vacancy	s	108	s	109
1003	FM	Basic rent vacancy	s	118	s	109
1004		Basic rent own use	S	113	s	106
1013		Instalment Payments	D	D*	D	D*
1014		Writeoff of Irrecoverable Debt	S	700	D	D*
1023		Vac.basic rent follow-up post.	S	108	S	109
1023	FM	Vac.basic rent follow-up post.	S	118	S	109
1024		Own use basic rent f.u.post.	S	113	S	106
1033		Vac. basic rent f.u.cred.post.	S	109	S	108
1033	FM	Vac. basic rent f.u.cred.post.	S	109	F	118
1034		Own use basic rent f.u.cr.post		106	-	113
1040		Basic rent transfer	S	TREV	S	100
1041		Trsfr. basic rent receivable		TREV		100

Figure 10-51. Assign account symbols to flow types

Replace Account Symbol with GL Accounts

The account symbols specified in the Account Symbols IMG activity have to be replaced by GL Accounts in the accounting system, dependent on the chart of accounts (Figure 10-52). Account determination is then able to find these GL accounts.

Transaction Code

SPRO

Menu Path

IMG \succ Flexible Real Estate Management (RE-FX) \succ Accounting \succ Integration FI-GL, FI-AR, FI-AP \succ Account Determination \succ Replace Account Symbol with GL Accounts

P Ne	ew Entries 🛯 🛅 🔚	. 🗠 🖪 🖪 🖪				
Substi	tute Account Symb	ools				
Ch	Account Symbol	Account Symbol Name	Spe	G/L account	Short Text	AtAltFisch
INT	4	No Account Needed				
INT	100	Debit-Side Rent Revenue		841000	Rental rev. 3rd pty	
INT	D 1	Debit-Side Other Revenue		841050	Other rental rev.	
INT	102	DebSide Flat-Rate OC Revenue		841070	Rev.flat rate o.cost	
INT	106	Debit-Side Rent Revenue OwnUse		841080	Rental rev. own use	
INT	107	Db-Side Clearing AP OC OwnUse		841099	RE Allocate prepymnt	
INT	108	Vacancy: Imputed Rent Expense		470700	Accrued vacancy rent	
INT	109	Vacancy: Imputed Rent Revenue		841700	Accd vac.rent rev.	
INT	110	Db-Side RentEarnings Reduction		888900	Rntl sales deduct.	
INT	113	Own Use: Rent Expense		470000	Occupancy costs	
INT	118	Vacancy: Modernization Expense		451000	Building maintenance	
INT	204	SCS: Settlement Vacancy OC		470520	RE Rent unit settl.	
INT	205	SCS: Revenue		841050	Other rental rev.	
INT	206	SCS: Settlement Own Use OC		470580	Settl.own use op.cst	
INT	207	SCS: Revenue Own Use OC		841580	Rev.own use OC sett.	
INT	208	SCS:Writeoff AP OC Own/Vacancy		470590	Write-off AP op.cost	
INT	209	SCS: Clearing AP Vacancy OC		470750	Clg vcy op.cst adv.p	

Figure 10-52. GL account mapping

Assign Tax Codes

In this step, you will assign a tax code in your accounting system to the tax types and tax groups that you defined in Flexible Real Estate Management (Figure 10-53). You define tax codes in Customizing for your accounting system.

The tax code is needed for calculating service tax. The tax code assignment is both country dependent and time dependent. The tax code is needed for calculating tax on sales and purchases.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Accounting ➤ Integration FI-GL, FI-AR, FI-AP ➤ Taxes ➤ Assign Tax Codes

Cha	nge	View "Tax C	ode Assignmen	t": Overview	
99	🖏 Ne	w Entries 🛯 🗎 🔂	10 B B B		
Tax (Code /	Assignment			1
C	Та	Tax Group	Valid From	T. Valid To	
DE			01.01.1900		
DE	MVST	FULL	01.01.1900	V1	
DE	MVST	HALF	01.01.1900	V2	11
DE	MVST	NONE	01.01.1900	V0	
DE	MWST	FULL	01.01.1900	A1	
DE	MWST	HALF	01.01.1900	A2	
DE	MWST	NONE	01.01.1900	AO	

Figure 10-53. Assign tax codes

Assign Tax Transaction Key

In this step you will assign a tax type to the tax transaction key (Figure 10-54). This assignment is both country dependent and time dependent. The tax transaction key specifies which tax account is posted to.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Accounting ➤ Integration FI-GL,FI-AR,FI-AP ➤ Taxes ➤ Assign Tax Transaction

Cha	nge	View "Ass	ignment of	Tax Transaction Key": Overvie	w
19	lew E	ntries 🛅 🔂 t	a 🖪 🖪 🕞		
Assig	nment	t of Tax Transact	ion Key		
C	Та	Valid From	Valid To	A 🎹	
DE	MVST	01.01.1998		VST (^	
DE	MWST	01.01.1998		MWS	

Figure 10-54. Assign tax transaction key

Define Posting Activities

Using the one-time postings function, you can post documents in Financial Accounting (FI) with reference to data in Flexible Real Estate Management (REFX; Figure 10-55 and Figure 10-56).

The data entry screens for one-time postings are considerably simplified, as compared to the normal FI interface, and better adapted to the needs of real estate management.

You first enter the posting activity and the company code. Based on the settings made in Customizing for posting activities, the system constructs one or more documents that you can then add to (for example, by entering the invoice amount or the concrete real estate object).

Based on the customization settings you make for the posting activity, the system determines the following (among other information):

- How many documents are to be posted
- How many items the documents being posted have
- Default data for the document header and the line items (especially account symbols, bank details, account assignment objects, and percentage of total amount)
- If and how distribution should be made to objects of the contract

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Accounting ➤ One-Time Postings ➤ Define Posting Activities

Dialog Structure	Posting Activity				
Posting Activity	PostingActivity	Posting Act. Descr.	Actv.		6
 Documents 	CNC010	Receivable RO for Contract	Accv.	V	
 Document Line I 	CNC020				
		Receivable Distrib. to Object		•	-0
	CNC040	Vendor Invoice for Tenant		•	
	CNC050	Receivable from Tenant RO			
	CNC100	Recvbl Cust.Contr. to Contract			
	CNV010	Invoice Vendor Contract		\checkmark	
	CNV020	Vendor Invoice Distrib. to ROs		v	
	CNV030	Vendor Invoice Contract, ROs		v	
	MM0010	COA: Vendor Invoice		✓	
1	MM0020	COA: Costs to Bank		V	
i	MM0050	COA: Inflow to Reserves		V	
	MM0060	COA: Outflow from Reserves		V	
	MM0110	COA: Invoice (Maint. Reserve)			
	MM0210	Investment Outflow		V	
	MM0220	Investment Inflow			
	MM0520	COA: Interest Revenue		<	
	MM0530	COA: Int. Revenue on Reserve		✓	

Figure 10-55. Posting activities

Change View "Postin	ng Activity": Details	
💅 New Entries 🐚 🖬 🕼	993	
Dialog Structure Disconsisting Activity Documents	PostingActivity CNC010	Post.Act.Desc. Receivable RO for Contract
Carl Document Line I	Posting Activity Posting Activity Active? Post.Act.Group 0010	On Debit Side
	Valid for Company Code	
	Standard Company Code Manager Company Code Condominium Owner Con	npany Code
	COA Company Code	y Code
	Default Values of Document	
	✓ Default Company Code	
	Posting Date Deriv.	Posting Date Is First of Next Month
	Due Date Derivation	Baseline Payment Date Is Posting Date
	Default Amount	
	Currency	EUR
	Net Posting Active	
	Object Entry	Contract Entry
	Suppress Popup?	
	Display Header?	

Figure 10-56. Posting activities: Details

Maintain Number Range for Rent Invoice

Here, you will specify the number range interval to be used for the invoice number.

Define at least one number range interval for each company code (Figure 10-57) in which invoices are printed, and for each fiscal year for which you want to print invoices (Figure 10-58). If this interval already has the number "01", you do not need to create any number range settings in the IMG activity Company Code-Dependent Settings for Invoice.

Choose "Internal Number Assignment" for all intervals.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Accounting ➤ Rent Invoice ➤ Number Range for Rent Invoice

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Range Mainte	nance: RE: Invoic	e Number
🙎 🛅 Change	documents	
Company Code	[0001] _	
🗞 Intervals	/ Intervals	NR Status

Figure 10-57. Number range for rent invoice, company code

Interval Maintenand	ce: Number Rang	e Object RE: Inv	oice Nun	nber, Subobjec
N. Year From No.	To Number	NR Status	Ext	•••
01 2015 000000001	0099999999	0		•

Figure 10-58. Number range for rent invoice

Correspondence in REFX

We need to carry out following activities to configure correspondence in the SAP REFX system.

Define Forms

In this activity, you will specify the forms you want to use for correspondence activities (Figure 10-59).

Define the forms you need and assign a form object to them (PDF-based form or smart form). We usually use smart forms for generating output forms.

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Correspondence ➤ PDF-Based Forms (Mass Print and Single Print) ➤ Forms ➤ Define Forms

Form Build	ler		
rms			
orm	Name of Form	Form Type	Form Obje
000_0A_3	General Corresp.(Arch.Obj.)	PDF-Based Forms	RE_A0_000
E_AO_010	Master Data Summary(Arch.Obj.)	PDF-Based Forms	RE_A0_010
E_BE_000	General Correspondence (BE)	PDF-Based Forms	RE_BE_000
E_BE_010	Master Data Summary (BE)	PDF-Based Forms	RE_BE_010
E_BU_000	General Corresp.(Building)	PDF-Based Forms	RE_BU_000
E_BU_010	Master Data Summary (Building)	PDF-Based Forms	RE_BU_010
E_CN_000	General Correspondence	PDF-Based Forms	RE_CN_000
E_CN_010	Master Data Summary	PDF-Based Forms	RE_CN_010
E_CN_020	Contract Form	PDF-Based Forms	- RE_CN_020
E_CN_100	Contract Account Sheet	PDF-Based Forms	RE_CN_100
E_CN_120	Invoice	PDF-Based Forms	- RE_CN_120
E_CN_150	Service Charge Settlement	PDF-Based Forms	* RE_CN_150
E_CN_160	COA Settlement	PDF-Based Forms	RE_CN_160
E_CN_162	Annual Budget	PDF-Based Forms	- RE_CN_162
E CN 164	Tenant Settlement	PDF-Based Forms	RE_CN_150

Figure 10-59. Define forms

Define Company-Code-Dependent Text Modules

In this activity, you will define company-code-dependent text modules (Figure 10-60).

Transaction Code

SPRO

Menu Path

IMG ➤ Flexible Real Estate Management (RE-FX) ➤ Correspondence ➤ PDF-Based Forms (Mass Print and Single Print) ➤ Forms ➤ Define Company-Code-Dependent Text Modules

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🦻 🕄 New Entries 🐚 🖬 🕼 🖡								
Company-Code-Dependent Text Mod	lules							
Co Company Name	Header	Footer	Signature	Sender	Further Text 1	Further Text 2	Further Text 3	
		RE_CA_TEXT_FOOTER	RE_CA_TEXT_SIGNATURE	RE_CA_TEXT_SENDER				-
0001 Puna Multinational Retail		RE_CA_TEXT_FOOTER	RE_CA_TEXT_SIGNATURE	RE_CA_TEXT_SENDER				
MC01 MC01		RE_CA_TEXT_FOOTER	RE_CA_TEXT_SIGNATURE	RE_CA_TEXT_SENDER				
RECO Sondereigentum (WEG)		RE_CA_TEXT_FOOTER	RE_CA_TEXT_SIGNATURE	RE_CA_TEXT_SENDER				
REOB Referenz Objektmandate		RE_CA_TEXT_FOOTER	RE_CA_TEXT_SIGNATURE	RE_CA_TEXT_SENDER				
RERF WEG Referenzbuchungskreis		RE_CA_TEXT_FOOTER	RE_CA TEXT_SIGNATURE	RE CA TEXT SENDER				

Figure 10-60. Define company-code-dependent text modules

Dunning

Dunning is a process that enables reminder communications to be sent to customers or vendors for outstanding invoices, requesting a payment to be made. Dunning programs are set for both accounts receivable and accounts payable. The dunning procedure for the contract is based on the dunning program of the Financial Accounting module, but we can use it by creating real estate–specific settings in Flexible Real Estate Management.

Define Dunning Groupings

Dunning notices are generally created per business partner, but we can create a group of open items and dun this group to send notices covering the entire group. We can send a separate dunning notice for each rental object to the business partner by defining a grouping key, which is a two-character, alphanumeric key, with the contract number field.

Dunning Areas

Dunning area means the client or company code or sales organization or business area in which we are working on the dunning program (Figure 10-61). Dunning areas are used when more than one organizational unit in a company code is responsible for dunning. We have the option of dunning it at the organization level, like the sales organization, or business area and may not be necessarily be running it at the company-code level. We can specify all dunning areas that we want to consider in REFX. However, the use of a dunning area is optional.

Chan	ge Vie	ew "RE Dunning Areas": Overview	
💖 Ne	w Entries	• 🖻 🖬 🔊 🛃 🖪 🖪	
RE Dun	ning Are	25	
CoCd	Area	Text	
0001	ſ	🗇 fault Dunning Area	•
	-		*

Figure 10-61. Dunning areas

Assign Application/Role Category/Dunning Parameter

In this activity, we will specify which additional business partners should be sent dunning notices. We can assign a role category to an application category of a business partner, and we can mention if the role is the dunning recipient, alternative dunning recipient, or not a dunning recipient.

As required, complete and review the following fields, as shown in Table 10-3 and Figure 10-62.

Table 10-3. Assign Application/Role Category/Dunning Parameter

Application Category	Role Category	Indicator	Dunning Level
Lease-Out	Master tenant with customer	Dunning recipient	

Char	nge View "Duni	ning Pa	rameters per BP R	ole": Overview	,				
19 N	ew Entries 🛯 🔂 🖬) R R	B						
Dunnir	ng Parameters per BP R	tole							
App.	Name	BP Role	Description	OID		Dun	Min. Dunning Am	Crcy	
0031	Rental Request	FLCU01	Business Partner Custorn	Dunning recipient	٠				
0036	neral Real Estate C.	TR0600	Master Tenant with Cust.	Dunning recipient	*				*

Figure 10-62. Dunning parameter per BP roles

Determine Dunnable Payment Methods

We have to determine which incoming payment methods can be dunned and define any payment methods as dunnable if we want them to be dunned in Flexible Real Estate Management (Figure 10-63 and Figure 10-64).

×
Work Area
IN C
cond. Append

Figure 10-63. Dunning payment method: Determine Work Area: Entry screen

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Ch	ang	e View	"Incoming pa	yment metho	od att	ributes	": Overview
9	1						
Count	τγ	IN	India				
P	M Ind	com.pmnt i	meth	Be dunned			
D	De	bit direct P	ostfinance (BAD)		•		

Figure 10-64. Dunning payment method

Summary

In this chapter we have seen how REFX standard configuration needs to be carried out with a step-by-step guide. This reviewed basic settings, business partners, master data, contracts, and accounting functions in detail.

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