



## Owner Dies – New Owner Takes Over

Property Management Solutions for Over 30 Years

### Overview

This is a procedure to maintain history and report correct amounts on a 1099 when an owner dies and the estate or another owner takes over.

An alternative is to create a new owner profile for the new owner (estate) and point the unit to the new owner. See [Changing a Unit's Ledger #243](#).

### Procedure

In this scenario, owner who died (Owner #1) will have the transactions from January – August. New owner or estate (Owner #2) will take over on September 1.

1. Run an owner statement for owner #1 for Jan – August – Detailed and Summary.
2. Edit owner profile for owner #1. Make note of address and tax info. Then change name, address, tax info to that for owner #2. **If you are using HeroPM to upload statements, changing the ID will delete the old ID (owner) and their statements from HeroPM. If you want to maintain that history, don't change the ID, just the long description.**
3. Create a new owner profile for owner #1.
4. Run an owner statement for owner #2 for Sept – Dec. (owner profile for owner #2 is now pointing to the ledger with all the transactions for both owners)
5. Determine rent amount for owner #1 from the statements.
6. Do 2 Journal Vouchers.

Account	Debit or Credit	Amount
RENT: Rent	Credit	\$7,800.00
MISC INC: Miscellaneous Income	Credit	(\$7,800.00)

- a. 1st voucher for owner #1
  - i. Date is 8/31/18
  - ii. Credit Rent for total rent for owner #1
  - iii. Negative Credit to Misc Income for total rent
  - iv. Those will be the only transactions in that ledger

Date	8/31/2018	<input checked="" type="checkbox"/> Cash
Reference	Journal Voucher	<input checked="" type="checkbox"/> Accrual
Ledger	OWNER 2: Owner #2 [Owner]	<input checked="" type="checkbox"/> Modified Cash
Memo		
Comment		
		Credits <b>\$7,800.00</b>
		Debits <b>\$7,800.00</b>
		In Balance

Account	Debit or Credit	Amount
RENT: Rent	Credit	(\$7,800.00)
MISC INC: Miscellaneous Income	Credit	\$7,800.00

- b. 2nd voucher for owner #2
  - i. Date is 8/31/18
  - ii. Credit Misc Income for total rent as above
  - iii. Negative Credit to Rent for total rent
7. When the 1099s are run, PROMAS will use the rent amount in the ledger for owner #1. It will subtract the rent amount for owner #2.