



# Transfer All Owners to New Company

Property Management Solutions for Over 30 Years

## Overview

This document will explain the steps to transfer the owner balances and tenant security deposits to a new company.

There are three sets of funds that will need to be transferred:

- Owner/property balances
- Tenant open credits
- Tenant security deposits

The new management company will also need unpaid charges for the tenants.

## Step 1 - Print Reports

The first step is to print reports for the new management company showing what the balances are.

- For owner/property balances, go to Reports>Ledger Reports. Choose Ledger Balances. Preview and print the report or save it to a PDF file.

**Ledger Balances**  
December 30, 2019

Ledger Name	Balance	Distribution Reserve	Distribution Deficit	Base Reserve	Base Deficit
Carl Wayne Cheek	\$200.00	\$200.00			
Frederick L. Clayton	\$950.00	\$250.00			
David & Judy Fiscella	\$200.00	\$200.00			
Harrison S. Golden	\$75.22	\$900.00	\$824.78		
Peyton T. Gray	\$400.00				
Charles W. Harris	\$250.00				
Ira C. Lebenson	\$2.86	\$300.00	\$297.14		
NUZIG Inc.	\$4,000.00	\$4,000.00			
James J. Porach	\$100.00				
Donald S. Schenk	\$600.00	\$600.00			
	<b>\$6,778.08</b>	<b>\$6,450.00</b>	<b>\$1,121.92</b>	<b>\$0.00</b>	<b>\$0.00</b>

- For tenant open credits and security deposits, go to Reports>Tenant Reports. Choose Tenant Balances. Preview and print the report or save it to a PDF file.

Tenant Balances

Report Setup

Printer: HP8881DC (HP OfficeJet 250 Mobile Series) Properties

Paper Source: Main Tray Make Default

Report Date: 12/31/2019 Custom

Restrict to: [ ] [ ]

Limit To Category: [ ] Exclude Category

Settings Print Publish Mail Export Preview Cancel

**Tenant Balances**  
December 31, 2019

Lease Name	Rent	Unpaid Charges	Advance Payments	Open Credits	Security
Joseph P. Bruno at 436 Fairway Drive	\$1,140.00	\$1,025.00		\$50.00	\$1,325.00
Edward & Marianne Guro at 212 Main Street	\$950.00				\$1,150.00
Johnny Parsons at Willow Brooke Unit 202					
Jerry and Karyl Rodriguez at 2118 Oak Street	\$980.00				\$980.00
Rita Roseman at 327 Cedar Lane	\$690.00	\$715.00			\$690.00
Phyllis Schrader at Willow Brooke Unit 203	\$1,150.00				\$1,150.00
Robert Spotz at Willow Brooke Unit 202	\$850.00				\$955.00
Thomas J. Steffel at Willow Brooke 201	\$2,325.00				\$775.00
	<u>\$8,085.00</u>	<u>\$1,740.00</u>	<u>\$0.00</u>	<u>\$50.00</u>	<u>\$7,025.00</u>

- For tenant unpaid charges go to Reports>Tenant Reports. Choose Tenant Unpaid Charges. Preview and print the report or save it to a PDF file.

Tenant Unpaid Charges

Report Setup

Printer: HP8881DC (HP OfficeJet 250 Mobile Series) Properties

Paper Source: Main Tray Make Default

Report Date: 12/31/2019 Custom

Restrict to: [ ] [ ]

Limit To Category: [ ] Exclude Category

Settings Print Publish Mail Export Preview Cancel

**Tenant Unpaid Charges**  
December 31, 2019

Date	Description	Amount	Amount Due
<b>Joseph P. Bruno at 436 Fairway Drive</b>			
9/1/2019	Rent to Harrison S. Golden	\$1,125.00	\$1,000.00
12/1/2019	Trash Removal to Harrison S. Golden - Reimbursement from tenant	\$25.00	\$25.00
	Joseph P. Bruno at 436 Fairway Drive	<u>\$1,150.00</u>	<u>\$1,025.00</u>
<b>Rita Roseman at 327 Cedar Lane</b>			
9/1/2019	Rent to Harrison S. Golden	\$690.00	\$690.00
9/7/2019	Late Fee to Property Management	\$25.00	\$25.00
	Rita Roseman at 327 Cedar Lane	<u>\$715.00</u>	<u>\$715.00</u>
		<u>\$1,865.00</u>	<u>\$1,740.00</u>

## Step 2 – Transfer balances overview

The easiest way is to write only one check to the new management company for all the owner balances and open credits from the checking bank account. To do that you will have to move each ledger's money to the management group, move all the tenant open credits to the management group, and then write one check from the management group for the sum of those funds.

You will have to release each tenant's security deposit and pay off a charge payable to the management group so all those funds accumulate in the management group. Then write one check to the new company out of the escrow bank account for the sum of those deposits.

## Step 2 - Transfer balances step by step

Move ledger balance from owner to management. You can use an account code you already have, like Retained Earnings or Cash Out; or you can create a new account code like Transfer Balance.

Go to Setup>Account Codes and click New. Create an Equity account.

ts Journal Transfer Transfer Balance [Account]

ID XFER BAL Transfer Balance Ledger Code 9999  Active

Account Type  
Equity  Bank Account  
 Checking Account  
Classification  Escrow Deposit Analysis  
 Impound Account

Account Sections  
Balance Sheet CURRENT YR: Current Year Earnings  
Other Financial Statements CURRENT YR: Current Year Earnings

Go to GL>Journal Transfer. Transfer each owner/property balance to the management group.

ts Journal Transfer

Date 12/31/2019  
Reference Journal Transfer  
Bank CHECKING: Bank Account Checking  
Memo  
Comment

Cash  
 Accrual  
 Modified Cash

Credits \$75.22  
Debits \$75.22  
In Balance

Account and Ledger	Debit or Credit	Amount
XFER BAL: Transfer Balance	Credit	(\$75.22)
GOLDEN: Harrison S. Golden		
XFER BAL: Transfer Balance	Credit	\$75.22
PM LEDGER: Property Management [Management Group]	Management Group	

Transfer the tenant open credits to the management group. Do this using the AR, Adjust Open Credits function.

Mark the checkbox for “Transfer to or from Management Group”.

Use the same code you used for the Journal Transfers of owner money above.

When you are done you can run a report showing the total amount in the Transfer Balance account in the management group ledger. It should match the amount on the Ledger Balance report plus the open credits on the Tenant Balance report.

Income Details			
December 1, 2019 to December 31, 2019			
Property Management			
Date	Description	Amount	Balance
12/1/2019	Beginning Balance		\$1,843.23
<b>Adjustments</b>			
<b>Transfer Balance</b>			
12/31/2019	Transfer Balance to Property Management for NUZIG Inc.	\$4,000.00	
12/31/2019	Transfer Balance to Property Management for Frederick L. Clayton	\$950.00	
12/31/2019	Transfer Balance to Property Management for Donald S. Schenk	\$600.00	
12/31/2019	Transfer Balance to Property Management for Peyton T. Gray	\$400.00	
12/31/2019	Transfer Balance to Property Management for Charles W. Harris	\$250.00	
12/31/2019	Transfer Balance to Property Management for Carl Wayne Cheek	\$200.00	
12/31/2019	Transfer Balance to Property Management for David & Judy Fiscella	\$200.00	
12/31/2019	Transfer Balance to Property Management for James J. Porach	\$100.00	
12/31/2019	Transfer Balance to Property Management for Harrison S. Golden	\$75.22	
12/31/2019	Transfer Balance to Property Management for Ira C. Lebenson	\$2.86	
	Transfer Balance	\$6,778.08	
	Total Adjustments	\$6,778.08	
	Net Balance Change	\$6,778.08	
12/31/2019	Ending Balance		\$8,621.31

Finally, Release the tenant security deposits. Those monies can be either moved to management using the AR, Adjust Open Credits function or by charging the tenant payable to the management group and using the security deposit to pay off that charge.

Transfer Balance [Charge]	
ID	XFER BAL   Transfer Balance
Account	XFER BAL: Transfer Balance
Payoff Priority	Normal

Charge Tenant			
Date	7/15/2020	Total Charges	\$835.00
Due By			
Unit	FAIR436: 436 Fairway Drive		
Tenant	BRUNO: Joseph P. Bruno		
Charge	XFER BAL: Transfer Balance	Amount	\$835.00
Memo		<input type="checkbox"/> Deposit	<input type="checkbox"/> Taxable
Comment		<input type="checkbox"/> Pay Management Group	

If you keep your security deposits in a separate bank account, that check can be written from the Escrow bank. Otherwise it will be written from the Checking bank. That check should match the amount on the tenant balance report.