

RE80: Create Lease Contract for a Road Reserve Transaction Guide

This guide shows you how to use RE80 (Real Estate Navigator) to create a lease for a Road Reserve property. Use either the quick-step procedure below or the detailed procedure with screen shots which follows.

This transaction is used to create a lease for a Road Reserve Property record and is part of the PM7.2 Licensing/Leasing Utilisation of Road Reserve process.

Access the **RE Navigator** initial screen through either;

- the transaction code **RE80** or,
- the menu path: **Real Estate Management > Master Data > RE Navigator**.

Prerequisites

The property must already have been set-up as a Property record (Architectural Object) in SAP and have the User Status of MGMT – Held for Management. To do this, use either:

- [RE80 \(Create Property Record for a Road Reserve\)](#) transaction guide, or
- [RE80 \(Maintain Management Property\)](#) transaction guide.

Quick-step procedure

Follow the steps below to complete this transaction.

Step	Action
1.	Select Object Overview in the Navigation area.
2.	Select Real Estate Contract from the drop-down list, and then click the Create icon.
3.	Complete the following fields in the Create Real Estate Contract dialog box that displays, and click the Enter icon (tick): <ul style="list-style-type: none"> • Contract Type (e.g. Commercial Lease). • Company code (e.g. 1000). <p>Result: The REC <Type of Lease> Lease <NEW> Create: General Data screen opens in the right-hand pane with the default General Data tab displaying. (Note that the last part of the screen name changes as you move between the tabs.)</p>
4.	Enter the Name of the Lessee and the property address (e.g. Buchanan’s Limited SH1 N Pukerua Bay) in the Contract Name field of the Contract section.
5.	Click the Change Authorization Group icon in the Authorization Group section and do the following: <ul style="list-style-type: none"> • click the Search icon in the Authorization Group dialog box. • select the required Authorisation Group (e.g. Wellington) from the displayed list, and • click the Enter icon in each of the open dialog boxes to confirm selection.

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Step	Action
6.	<p>Select the Partners tab and do the following:</p> <ul style="list-style-type: none"> • Click the Assign new partner icon. • Select the relevant option from the drop down list (e.g. Contract Partner – the mandatory partners required are Contract Partner, Property Management Company, and Property Manager). • Enter search terms (e.g. Name1/LastName, Street or City) in the Business Partner Search dialog box. • Click the Enter icon.
7.	<p>If the partner:</p> <ul style="list-style-type: none"> • displays in the search results list (i.e. is an existing Business Partner), then select them and click the Enter icon to confirm. Go to step 10. • does not display in the search results list (i.e. is a new Business Partner), then close the search and go to step 8.
8.	<p>Select either Person or Organization. (Select Person if the Business Partner is an individual person, for all other entities; select Organization).</p> <p>Result: The Create <Person/Organization>: Role Contract Partner screen is displayed.</p>
9.	<p>Complete the details of the Business Partner, and then click the Back icon once you have entered all relevant details. Refer to the RE80 (Create Business Partner) transaction guide for more detail.</p> <p>Note: For a Business Partner created for a property lease, the following should be done:</p> <ul style="list-style-type: none"> • the Authorization Group selected should be ‘8800 Property General’, and • the new business partner’s bank account details are loaded. <p>Note: A Business Partner may have more than one bank account loaded, so each is given an ID. The ID of the bank account selected in the Lease agreement, is used to clear open items.</p> <p>Result: The REC <Type of Lease> Lease <NEW> Create: Partners screen is displayed.</p> <p>Note: The Business Partner ID no. is not assigned until the new Real Estate Contract is saved.</p>
10.	<p>Complete the Start relnship field (e.g. 27.05.2013) on the Details section</p> <p>Note: Ensure that this field are completed for all partners, and that all dates align.</p>
11.	<p>Repeat steps 6 to 10 to add all relevant partners (i.e. Contract Partner, Property Management Company, and Property Manager).</p> <p>Note: If you click the Save icon without selecting the required partners, the system displays an error message at the bottom of the screen prompting you to choose a partner (or partners) that corresponds to the User Status selected (e.g. MNGD – Managed).</p>

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Step	Action
12.	<p>Complete the following fields on the Term tab, and press Enter:</p> <ul style="list-style-type: none"> • Contract start Date (e.g. 27.05.2013). • Cash Flow From (e.g. 27.05.2013) if different to contract start date. • 1st Contract end (e.g. 27.05.2018) • First Posting From (e.g. 20.05.2013) if required. <p>Result: In the Term Information section, the Current Status is updated e.g. Fixed Term(without Renewal), along with the following fields:</p> <ul style="list-style-type: none"> • Poss. Partner Notice (e.g. 03.07.2013). • Possible Own Notice (e.g. 10.09.2013). <p>Note: The above notice periods are based on the NZTA Standard Notice period. This can be altered by changing the Notice period to an existing template or an individual notice period based on the negotiated contract.</p>
13.	<p>To change the Notice period, on the Term tab:</p> <ul style="list-style-type: none"> • select Notice, and • in the Notice Type field that displays, select the type of Notice period (e.g. Individual Notice Procedure) required.
14.	<p>On the Notice tab, select the Create with Template icon to specify individual Notice conditions.</p>
15.	<p>In the Notice Procedure (1) dialog box that displays, select the Notice Procedure (e.g. 1000 For Both Parties: 3 months for End of Month (3rd Bus. Day)) to use from the list and click the Enter icon.</p> <p>Result: The Notice rules for the contract parties are displayed.</p> <p>Note: Other individual Notice periods may be setup by clicking the Create Notice Rule icon.</p>
16.	<p>To add a Renewal period, click the Create Term icon and select Renewal from the list displayed.</p> <p>Result: The Renewal screen is displayed.</p>
17.	<p>Do the following:</p> <ul style="list-style-type: none"> • select an option from the drop-down list in the Renewal Type field (e.g. Standard Renewal) • click into the Renewal Rule field and click the Search icon (circled above), and • in the Renewal rule dialog box that displays, select the Renewal rule (e.g. 1300 2 Options for 5 years; 1 Year Notice period) so that it is highlighted in blue, and then • press Enter.
18.	<p>Back on the Renewal screen, you may need to press Enter to confirm the Renewal option selected.</p> <p>Result: The selected renewal conditions are displayed.</p> <p>Note: The 1 Year Notice Period for Renewal means that notice must served that the tenant wants to renew at least 1 year prior to the renewal date.</p>

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Step	Action
19.	On the Objects tab, select REC <NEW> under the Object Hierarchy list. Note: This is where you link the contract to the Property record (Architectural Object) and the Property WBS element.
20.	Click the Assign icon.
21.	Select either AO (Architect. Object) or WBS (WBS Element) from the Object Type (1) dialog box that displays, and press Enter. Note: Both of these options need to be assigned.
22.	Enter the search details (e.g. 88*) in the Restrict Value Range (1) dialog box displayed and click the Find icon (binoculars).
23.	Select either the property record the lease is for (e.g. 88000147 NZTA Road Reserve SH1 North Pukerua Bay) or the WBS (e.g. 88000147) in the Restrict Value Range (2) dialog box and click the Enter icon to confirm.
24.	Complete the Relationship Valid From (e.g. 27.05.2013) field on the Object section and press Enter.
25.	Repeat steps 19-24 until both the WBS and Architectural Object have been linked.
26.	Click on the Posting Parameters tab, and on the Posting tab, complete the Bank Det. Inc. field (e.g. 001). Note: A Business Partner may have more than one bank account loaded, so each is given an ID. The ID of the bank account selected here, is used to clear open items for this lease agreement. For the bank account(s) details to be available they must be set-up in the Business Partner record.
27.	Click on the Posting Parameters tab, and select Frequency from the list.
28.	Complete the following fields on the Frequency tab and press Enter: <ul style="list-style-type: none"> • Number (e.g. Monthly is standard for commercial leases, and Fortnightly is standard for residential leases). • Frequency and "in" (e.g. "1" in "Months" described monthly rent payments) • FrequencyStart (e.g. Custom). • User-Def. Start (e.g. 01.05.2013). This field only displays if 'Custom' is selected in the FrequencyStart field. • Prorated (e.g. Contract or Rental Object Start and End, Pro Rata). • Amt. Reference (e.g. Cyclical Amount). • Calc. Method (e.g. Exact Days). • Payment form (e.g. In Advance). • Due date (+/-) (e.g. Standard). • Start/end (e.g. Move Due Dates at Start and at End).
29.	Click on the Conditions tab, and then click on the Insert Conditions icon. Note: If the Choose Calculation Object for Condition dialog box displays, select the WBS element (e.g. 88000147 NZTA Road Reserve SH1 North Pukerua Bay) and press Enter to confirm.
30.	Place a tick in the box to the left of the Condition Type Name field (e.g. 140 Rent Commercial) in the Condition Type 13 Entries dialog box and click the Enter icon to confirm. Result: The Condition screen displays.

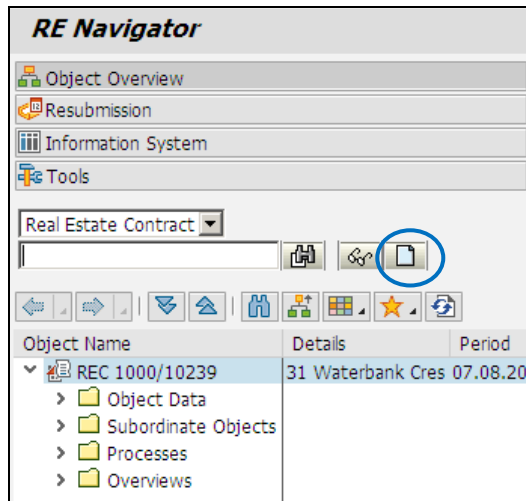
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Step	Action
31.	<p>Enter the amount (e.g. 6000) in the Unit Price field and press Enter.</p> <p>Result: The Conditions are updated, showing the monthly rental amount.</p> <p>Note: The Valid From date must not be before the Frequency Start Date identified in the Posting Parameters tab.</p>
32.	<p>Click the Simulate button to check the postings for the dates entered on the Terms tab.</p> <p>Result: The simulation shows the rent payments for the open-ended commercial rental agreement.</p> <p>Note:</p> <ul style="list-style-type: none"> • Always use Simulation to check that the conditions entered are correct. If the posting are not as expected, check the following dates are entered correctly on the Terms tab: <ul style="list-style-type: none"> ○ Contract Start and end (if required) ○ Cash Flow start, and ○ Postings. • Simulations may be run again and again to check different payment conditions.
33.	<p>Once all required details are entered on the tabs, click the Check icon on menu bar to verify the data and correct any errors.</p>
34.	<p>Once there are no errors, click the Save icon.</p> <p>Result: At the bottom left-hand side of the screen, the message <i>'Real Estate Contract no. <1000/1*****> has been created'</i> is displayed.</p>
35.	<p>Click the Activate icon on the menu bar to activate the lease.</p>
36.	<p>Click Yes in the Execute Activity dialog box that displays.</p> <p>Result: At the bottom left-hand side of the screen, the message <i>'Status Was Changed'</i> is displayed.</p>
37.	<p>Click the Save icon again to confirm.</p>
38.	<p>The Real Estate Contract has been set-up, linked to the Property Record (Architectural Object), and activated. Now the Contract Partner (Business Partner) must be linked into the Financial Accounts by creating a Contract Account. Use the CAA1 (Create Contract Account) transaction guide to do this.</p>
39.	<p>Once the Contract Account has been set up for the Contract Partner, display the Real Estate Contract and check the Contract Acct field on the Partners tab.</p> <p>Note: The Contract Account that you have just created should be displayed. A Contract Partner may have more than one Contract Account, but each Contract Account is unique to a particular Real Estate contract.</p>

Detailed procedure

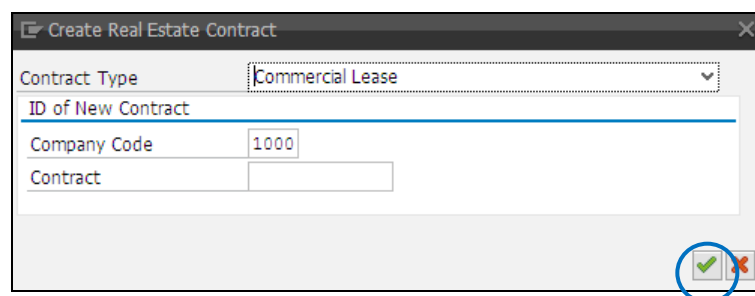
Follow the steps below to complete this transaction.

1. Select **Object Overview** in the Navigation area.
2. Select **Real Estate Contract** from the drop-down list, and then click the **Create** icon (circled below).

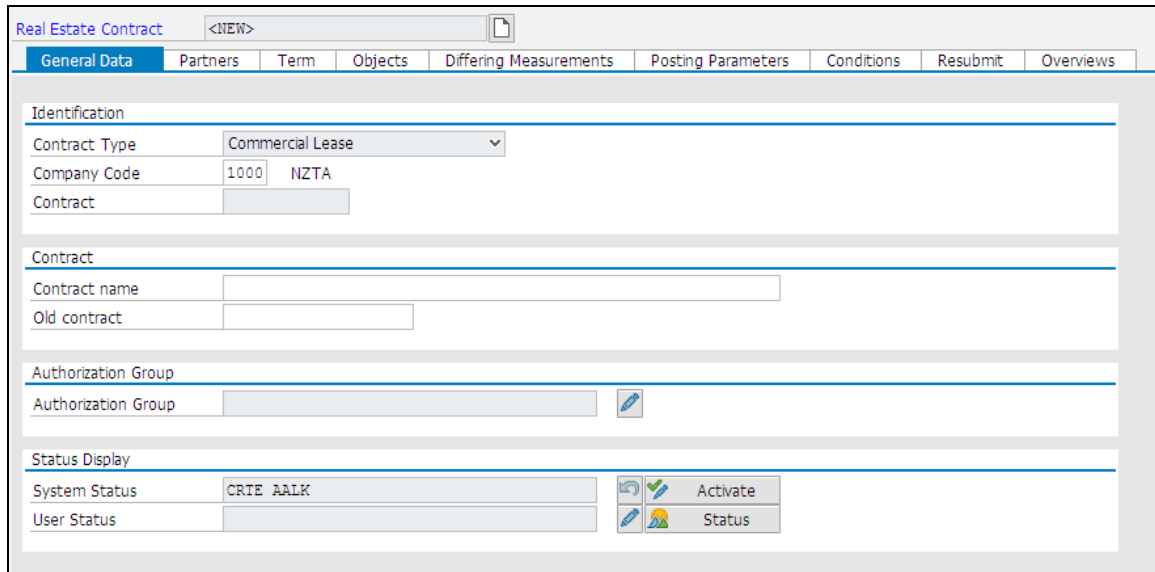


3. Complete the following fields in the **Create Real Estate Contract** dialog box that displays, and click the **Enter** icon (circled below):

Field	Description
Contract Type	<p>The contract type (e.g. Commercial Lease) controls:</p> <ul style="list-style-type: none"> • the purpose served by the real estate contract, for example: Lease-in, Lease-out, Security deposit agreement, Purchase, Sale, Service contract, and • how the real estate contract behaves during certain processes, for example if it: <ul style="list-style-type: none"> ○ is an external, internal, or G/L account contract ○ is an occupancy or non-occupancy contract ○ handles commercial real estate or residential real estate processes, and/or ○ is for offering or using objects or services from the viewpoint of the company code in which the real estate contract was created.
Company code	The code of the company (e.g. 1000 NZTA).

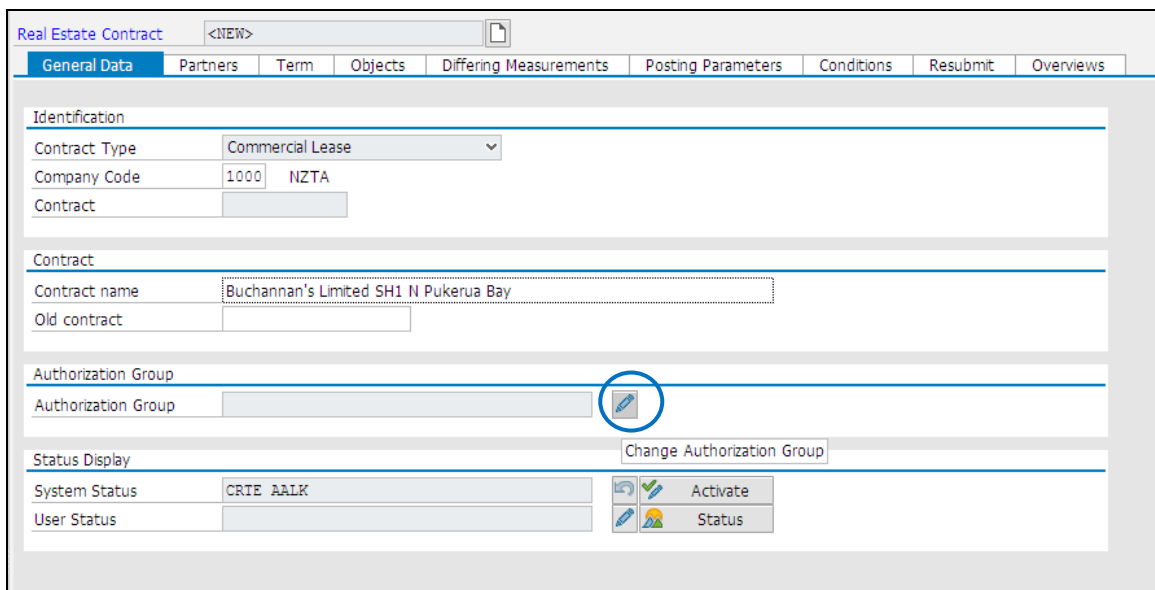


Result: The REC <Type of Lease> Lease <NEW> Create: General Data screen opens in the right-hand pane with the default **General Data** tab displaying. (Note that the last part of the screen name will change as you move between the available tabs.)



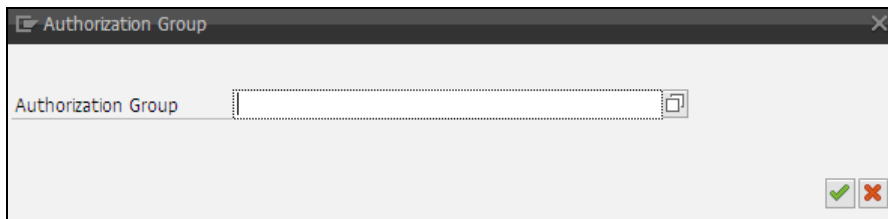
The screenshot shows the SAP 'Real Estate Contract' screen in the 'General Data' tab. The 'Identification' section includes 'Contract Type' (Commercial Lease), 'Company Code' (1000 NZTA), and 'Contract'. The 'Contract' section has 'Contract name' and 'Old contract' fields. The 'Authorization Group' section has an 'Authorization Group' field with an edit icon. The 'Status Display' section shows 'System Status' (CRIE AALK) and 'User Status' with 'Activate' and 'Status' buttons.

4. Enter the Name of the Lessee and the property address (e.g. Buchanan's Limited SH1 N Pukerua Bay) in the **Contract Name** field of the **Contract** section.

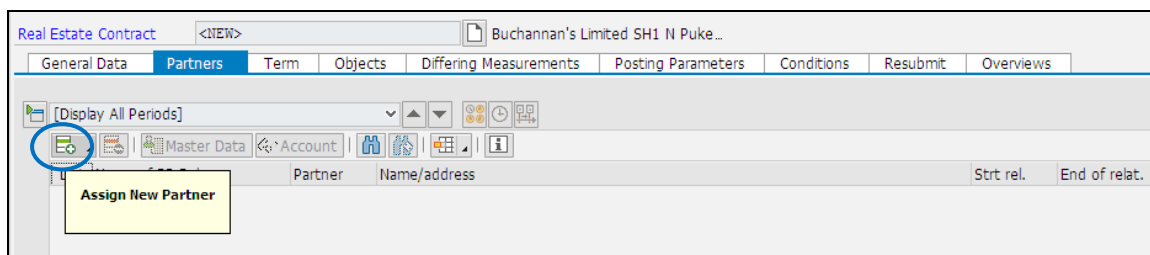


This screenshot is identical to the previous one, but the 'Contract name' field in the 'Contract' section now contains the text 'Buchanan's Limited SH1 N Pukerua Bay'. A blue circle highlights the edit icon in the 'Authorization Group' section, and a button labeled 'Change Authorization Group' is visible below it.

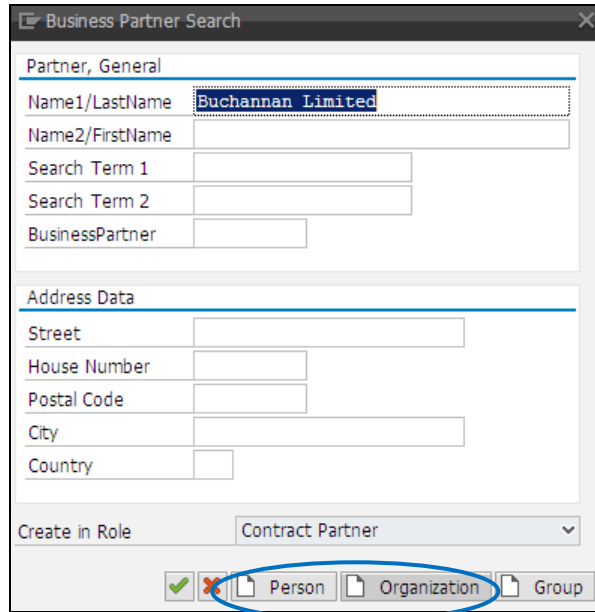
5. Click the **Change Authorization Group** icon In the **Authorization Group** section and do the following:
 - click the **Search** icon in the **Authorization Group** dialog box.



- select the required Authorisation Group (e.g. Wellington) from the displayed list, and
 - click the **Enter** icon in each of the open dialog boxes to confirm selection.
6. Select the **Partners** tab and do the following:
 - Click the **Assign new partner** icon (circled below).
 - Select the relevant option from the drop down list (e.g. Contract Partner – the mandatory partners required are Contract Partner, Property Management Company, and Property Manager).
 - Enter search terms (e.g. Name1/LastName, Street or City) in the **Business Partner Search** dialog box.
 - Click the **Enter** icon.



7. If the partner:
 - displays in the search results list (i.e. is an existing Business Partner), then select them and click the **Enter** icon to confirm. Go to step 10.
 - does not display in the search results list (i.e. is a new Business Partner), then close the search and go to step 8.
 8. Select either Person or Organization. (Select **Person** if the Business Partner is an individual person, for all other entities; select **Organization**.)
- Result:** The **Create <Person/Organization>: Role Contract Partner** screen is displayed.



9. Complete the details of the Business Partner, and then click the **Back** icon once you have entered all relevant details. Refer to the [RE80 \(Create Business Partner\)](#) transaction guide for more detail.

Note: For a Business Partner created for a property lease, the following should be done:

- the Authorization Group selected should be '8800 Property General', and
- the new business partner's bank account details are loaded.

Note: A Business Partner may have more than one bank account loaded, so each is given an ID. The ID of the bank account selected in the Lease agreement, is used to clear open items.

Result: The REC <Type of Lease> Lease <NEW> Create: Partners screen is displayed.

Note: The Business Partner ID no. is not assigned until the new Real Estate Contract is saved.

Create Organization: Role Contract Partner

Business Partner Grouping Real Estate Partner (I)
 Create in BP role Contract Partner (New)

Address | Address Overview | Identification | Control | Payment Transactions | Biller Direct | Status | Where-Used List

Name
 Title Company
 Name Buchanan Limited
 Salutation

Search Terms
 Search Term 1/2 BUCHANNAN PUKERUA BAY

Standard Address
 Print Preview
 Street Address
 Street/House number Tauamata Road 120
 Postal Code/City 5026 Pukerua Bay
 Country NZ Region WLG
 PO Box Address
 PO Box 5600
 Postal code
 Company Postal Code
 Communication
 Language
 Telephone Extension
 Mobile Phone
 Fax Extension
 E-Mail
 StandardComm.Mtd
 Data line

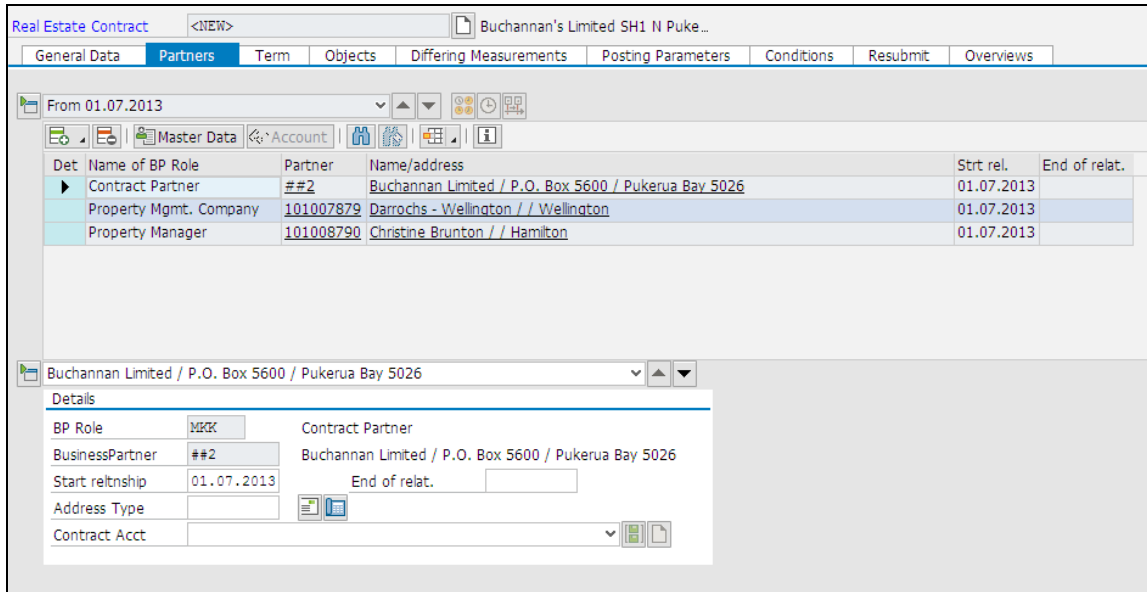
10. Complete the following field on the **Details** section:

Field	Description
Start relnshp.	Date from which the relationship is valid (e.g. 27.05.2013).

Note: Ensure that this field are completed for all partners, and that all dates align.

11. Repeat steps 6 to 10 to add all relevant partners (i.e. Contract Partner, Property Management Company, and Property Manager).

Note: If you click the **Save** icon without selecting the required partners, the system displays an error message at the bottom of the screen prompting you to choose a partner (or partners) that corresponds to the **User Status** selected (e.g. MNGD – Managed).



Real Estate Contract <NEW> Buchanan's Limited SH1 N Puke...

General Data Partners Term Objects Differing Measurements Posting Parameters Conditions Resubmit Overviews

From 01.07.2013

Det	Name of BP Role	Partner	Name/address	Strt rel.	End of relat.
▶	Contract Partner	##2	Buchannan Limited / P.O. Box 5600 / Pukerua Bay 5026	01.07.2013	
	Property Mgmt. Company	101007879	Darrochs - Wellington // Wellington	01.07.2013	
	Property Manager	101008790	Christine Brunton // Hamilton	01.07.2013	

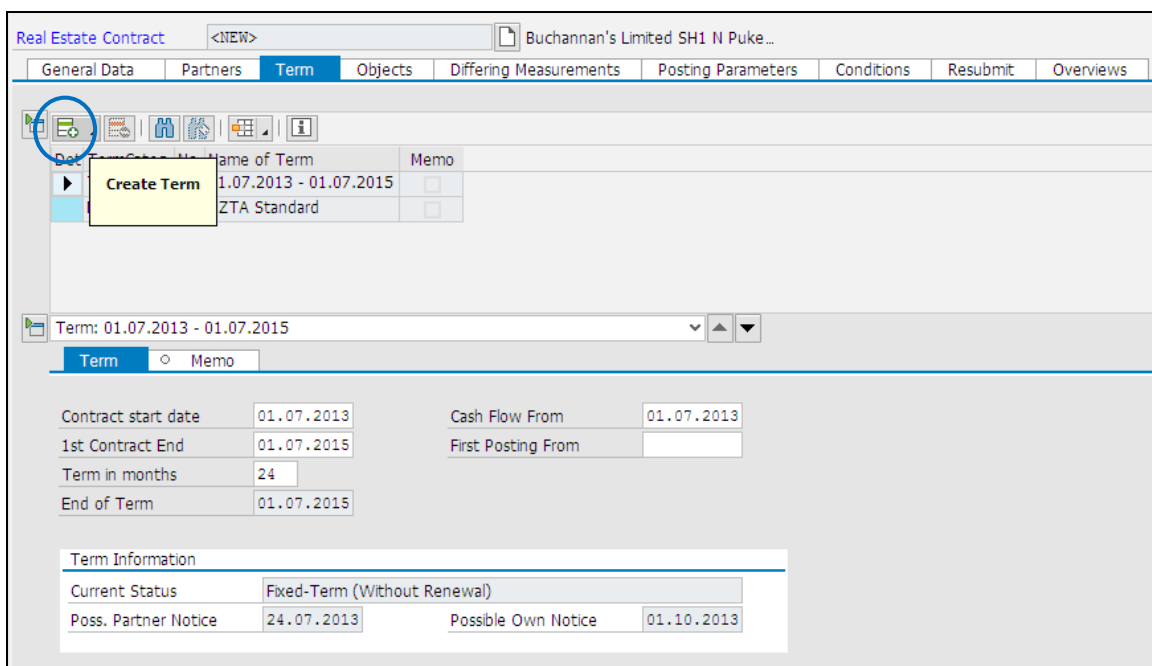
Buchannan Limited / P.O. Box 5600 / Pukerua Bay 5026

Details

BP Role	MEKK	Contract Partner	
BusinessPartner	##2	Buchannan Limited / P.O. Box 5600 / Pukerua Bay 5026	
Start reltnship	01.07.2013	End of relat.	
Address Type			
Contract Acct			

12. Complete the following fields on the **Term** tab and press Enter:

Field	Description
Contract start Date	Start date of the contract (e.g. 27.05.2013).
Cash Flow From	Date starting on which the agreed conditions are considered during generation of the cash flow (e.g. 27.05.2013).
1 st Contract end	First contract end date for a fixed-term contract or for a contract with options and/or automatic renewals (e.g. 27.05.2018).
First Posting From	This date is relevant for legacy data transfer (e.g. 20.05.2013). The date can be entered in the "Term Data" of the contract, in the "General Data" of the rental object, or in the conditions. The date in the condition is given priority over the date in the contract term data, assuming that one is entered.



Real Estate Contract <NEW> Buchanan's Limited SH1 N Puke...

General Data Partners Term Objects Differing Measurements Posting Parameters Conditions Resubmit Overviews

From 01.07.2013

Det	Name of Term	Memo
▶	1.07.2013 - 01.07.2015	
	ZTA Standard	

Term: 01.07.2013 - 01.07.2015

Term Memo

Contract start date	01.07.2013	Cash Flow From	01.07.2013
1st Contract End	01.07.2015	First Posting From	
Term in months	24		
End of Term	01.07.2015		

Term Information

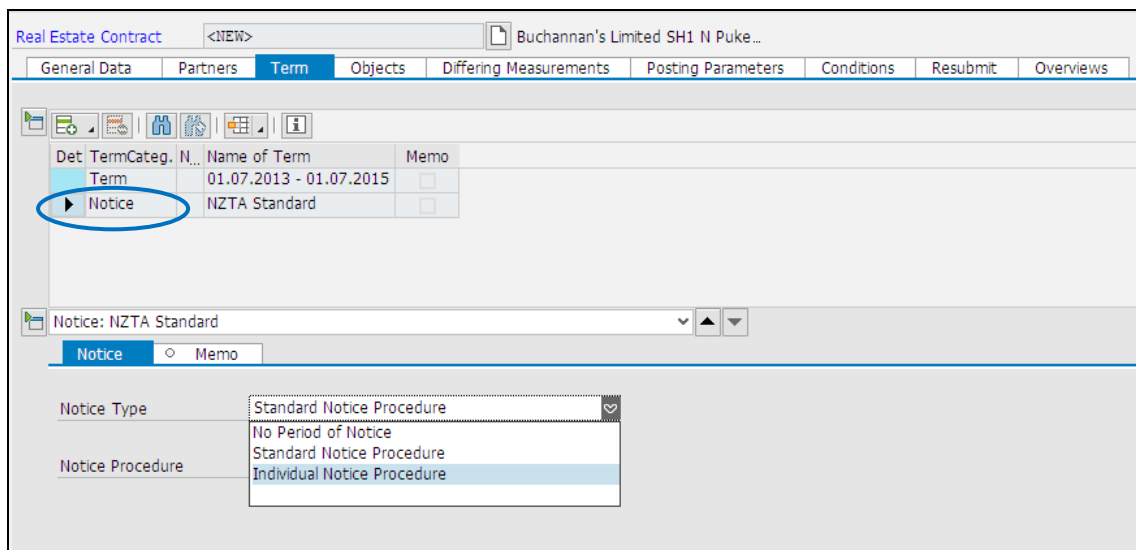
Current Status	Fixed-Term (Without Renewal)
Poss. Partner Notice	24.07.2013
Possible Own Notice	01.10.2013

Result: In the **Term Information** section, the Current Status is updated (e.g. Fixed Term (without Renewal)), along with the following fields:

- Poss. Partner Notice (e.g. 03.07.2013).
- Possible Own Notice (e.g. 10.09.2013).

Note: The above notice periods are based on the NZTA Standard Notice period. This can be altered by changing the Notice period to an existing template or an individual notice period based on the negotiated contract. Adding a renewal period may also alter the notice period (see below).

13. To change the standard NZTA Default Notice period, select **Notice** (circled below) and in the **Notice Type** field that displays, select the type of Notice period (e.g. Individual Notice Procedure) required.



Real Estate Contract <NEW> Buchanan's Limited SH1 N Puke...

General Data Partners **Term** Objects Differing Measurements Posting Parameters Conditions Resubmit Overviews

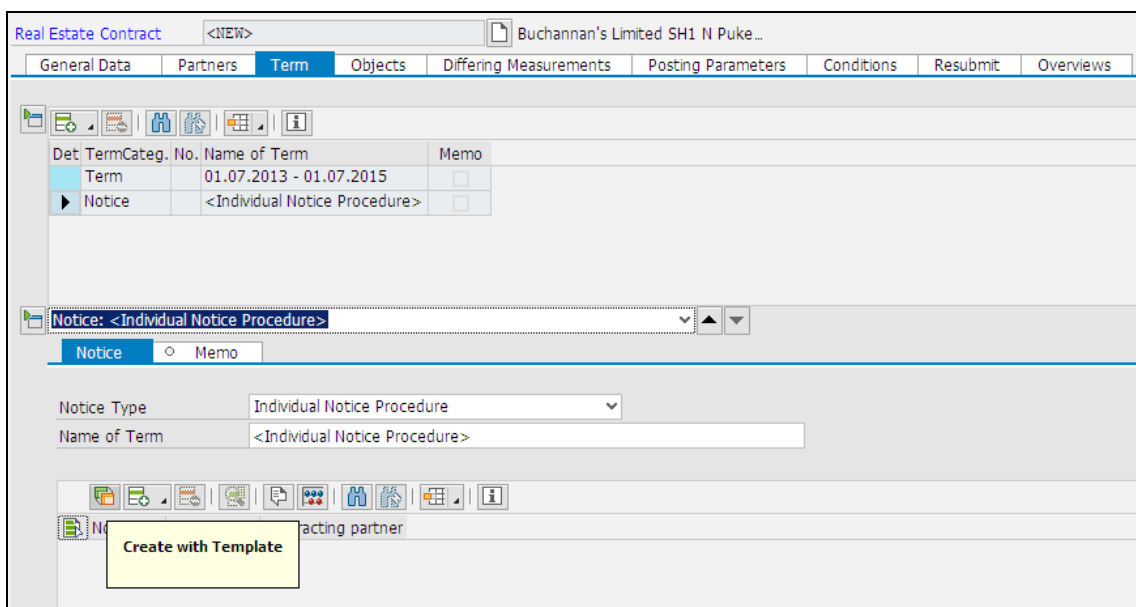
Det	TermCateg. N...	Name of Term	Memo
	Term	01.07.2013 - 01.07.2015	
	Notice	NZTA Standard	

Notice: NZTA Standard

Notice Type: Standard Notice Procedure

Notice Procedure: Individual Notice Procedure

14. On the **Notice** tab, select the **Create with Template** icon to specify individual Notice conditions.



Real Estate Contract <NEW> Buchanan's Limited SH1 N Puke...

General Data Partners **Term** Objects Differing Measurements Posting Parameters Conditions Resubmit Overviews

Det	TermCateg. No.	Name of Term	Memo
	Term	01.07.2013 - 01.07.2015	
	Notice	<Individual Notice Procedure>	

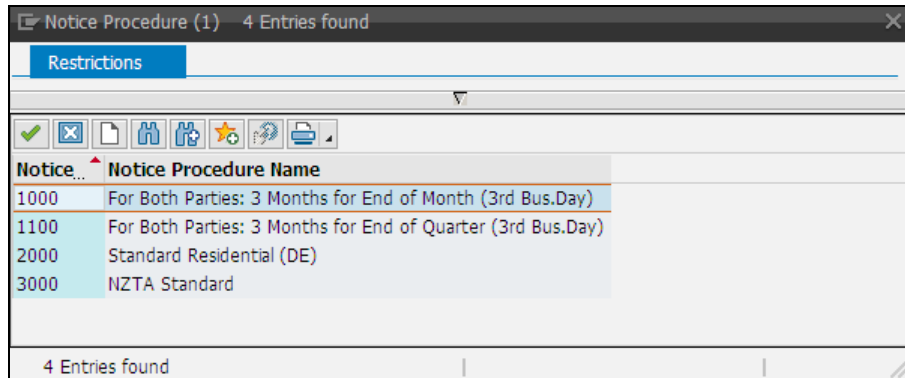
Notice: <Individual Notice Procedure>

Notice Type: Individual Notice Procedure

Name of Term: <Individual Notice Procedure>

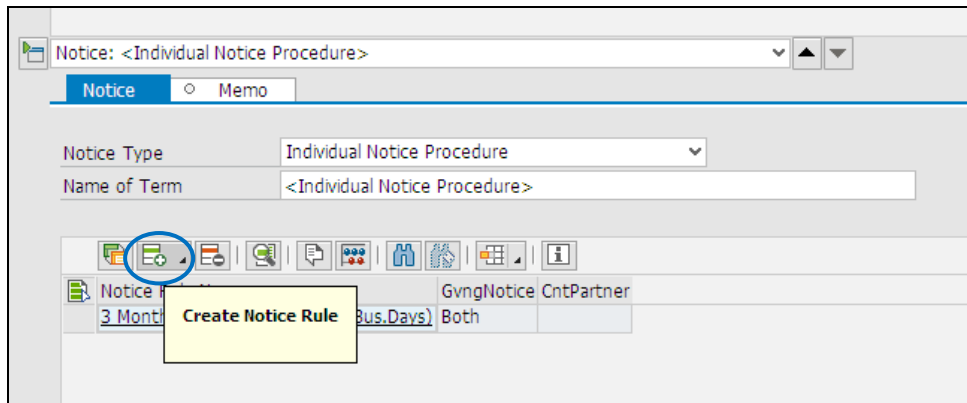
Create with Template

15. In the **Notice Procedure (1)** dialog box that displays, select the **Notice Procedure** (e.g. 1000 For Both Parties: 3 Months for End of Month (3rd Bus. Day)) to use from the list and click the **Enter** icon.

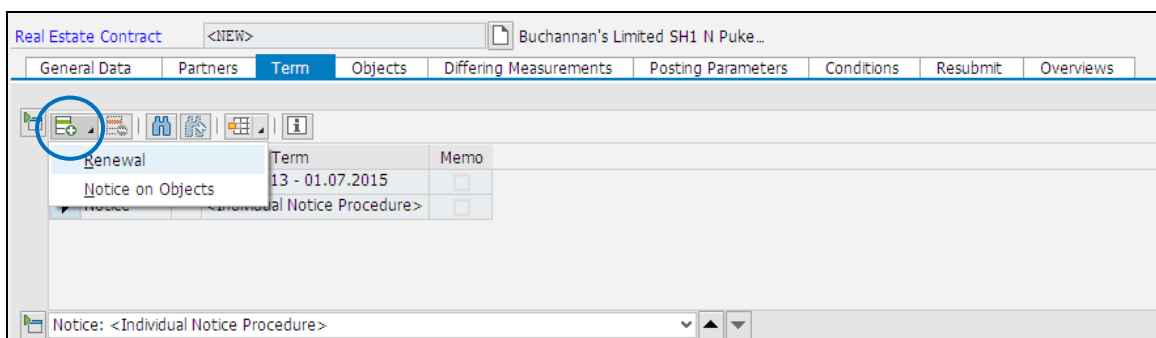


Result: The Notice rules for the contract parties are displayed.

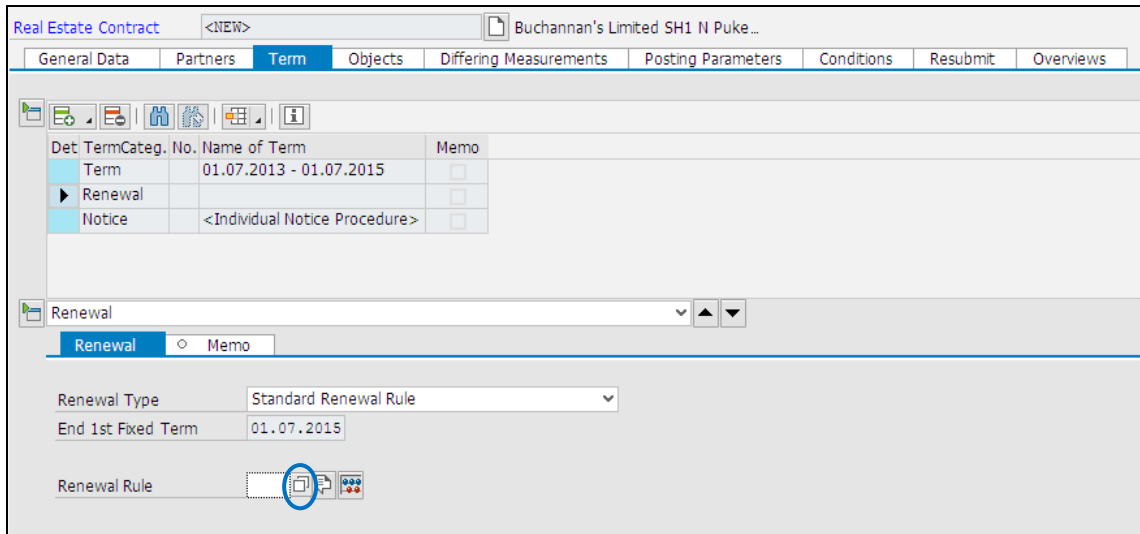
Note: Other individual Notice periods may be setup by clicking the **Create Notice Rule** icon (circled below).



16. To add a Renewal period, click the **Create Term** icon (circled below) and select **Renewal** from the list displayed.



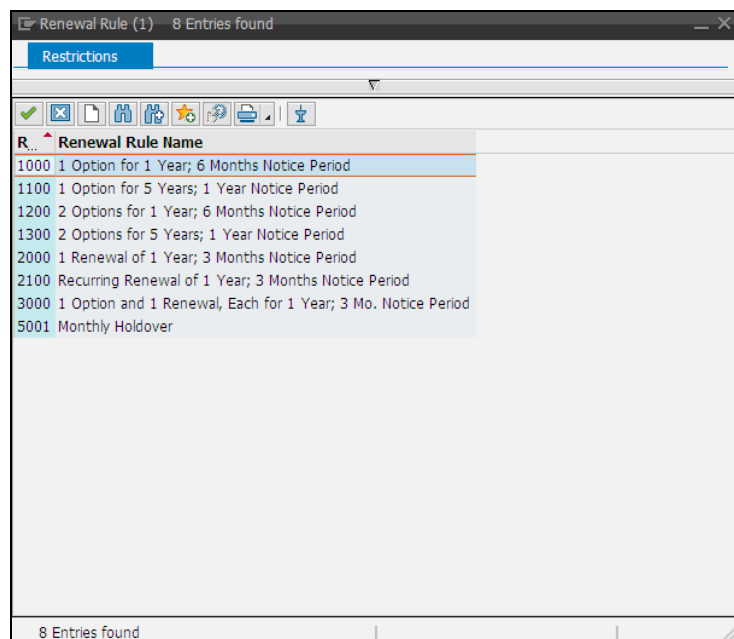
Result: The Renewal screen is displayed.



The screenshot shows the SAP Real Estate Contract interface, specifically the 'Term' tab. The document title is 'Buchannan's Limited SH1 N Puke...'. The 'Term' tab is active, showing a table with columns 'Det', 'TermCateg.', 'No.', 'Name of Term', and 'Memo'. The table contains three rows: 'Term' (01.07.2013 - 01.07.2015), 'Renewal', and 'Notice' (<Individual Notice Procedure>). Below the table, there are fields for 'Renewal Type' (Standard Renewal Rule) and 'End 1st Fixed Term' (01.07.2015). A 'Renewal Rule' field is visible with a search icon circled in blue.

17. Do the following:

- select an option from the drop-down list in the **Renewal Type** field (e.g. Standard Renewal)
- click into the **Renewal Rule** field and click the **Search** icon (circled above), and
- in the Renewal rule dialog box that displays, select the Renewal rule (e.g. 1300 2 Options for 5 years; 1 Year Notice period) so that it is highlighted in blue, and then
- press Enter.

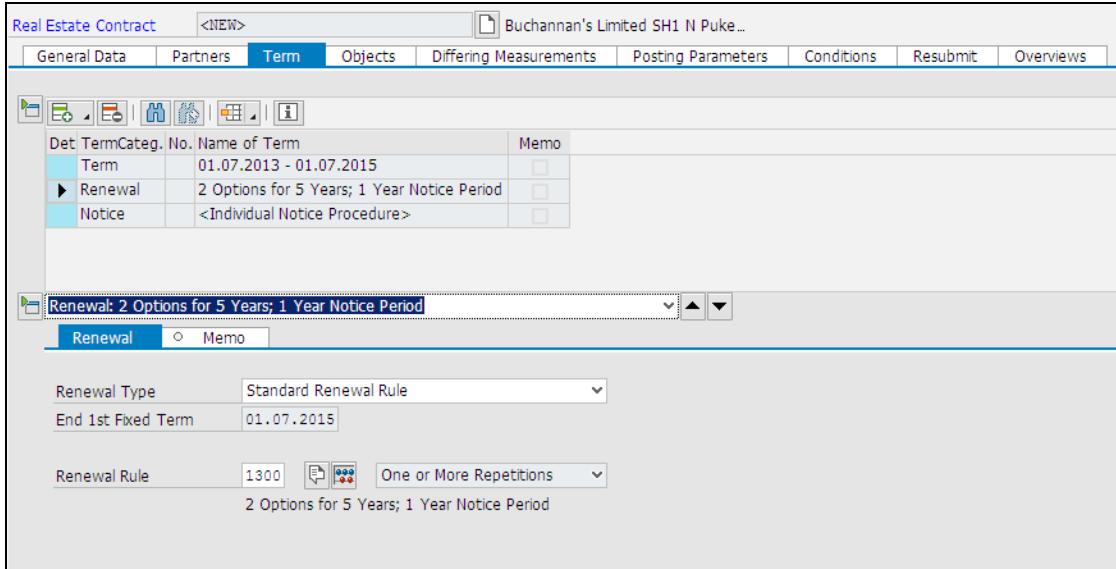


The screenshot shows the 'Renewal Rule (1) 8 Entries found' dialog box. The 'Restrictions' tab is active. The dialog displays a list of renewal rules with columns for 'R...' and 'Renewal Rule Name'. The list includes: 1000 1 Option for 1 Year; 6 Months Notice Period, 1100 1 Option for 5 Years; 1 Year Notice Period, 1200 2 Options for 1 Year; 6 Months Notice Period, 1300 2 Options for 5 Years; 1 Year Notice Period, 2000 1 Renewal of 1 Year; 3 Months Notice Period, 2100 Recurring Renewal of 1 Year; 3 Months Notice Period, 3000 1 Option and 1 Renewal, Each for 1 Year; 3 Mo. Notice Period, and 5001 Monthly Holdover. The entry '1300 2 Options for 5 Years; 1 Year Notice Period' is highlighted in blue.

18. Back on the **Renewal** screen, you may need to press Enter to confirm the Renewal option selected.

Result: The selected renewal conditions are displayed.

Note: The 1 Year Notice Period for Renewal means that notice must served that the tenant wants to renew at least 1 year prior to the renewal date.



The screenshot shows the SAP Real Estate Contract interface with the 'Term' tab selected. The main table displays the following data:

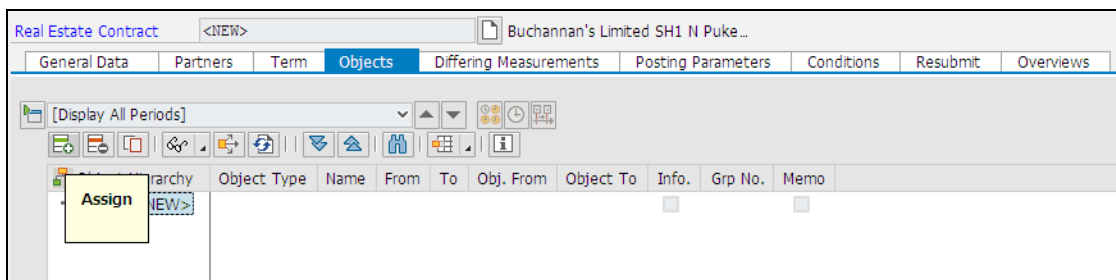
Det	TermCateg.	No.	Name of Term	Memo
	Term		01.07.2013 - 01.07.2015	
	Renewal		2 Options for 5 Years; 1 Year Notice Period	
	Notice		<Individual Notice Procedure>	

Below the table, the 'Renewal: 2 Options for 5 Years; 1 Year Notice Period' entry is selected. The 'Renewal' radio button is active. The 'Renewal Type' is set to 'Standard Renewal Rule', 'End 1st Fixed Term' is '01.07.2015', and the 'Renewal Rule' is '1300' with 'One or More Repetitions'.

19. On the **Objects** tab, select REC <NEW> under the **Object Hierarchy** list.

Note: This is where you link the contract to the Property record (Architectural Object) and the Property WBS element.

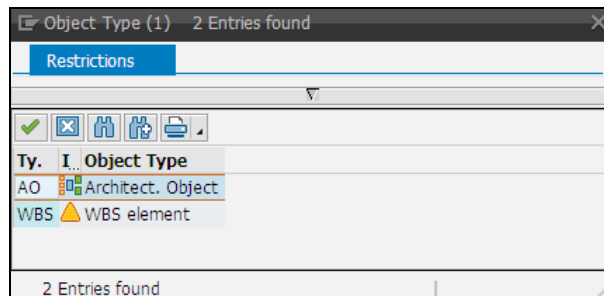
20. Click the **Assign** icon.



The screenshot shows the SAP Real Estate Contract interface with the 'Objects' tab selected. An 'Assign' icon is highlighted over the 'Object Hierarchy' column of the table. The table has the following columns: Object Hierarchy, Object Type, Name, From, To, Obj. From, Object To, Info., Grp No., Memo.

21. Select either **AO (Architect. Object)** or **WBS (WBS Element)** from the **Object Type (1)** dialog box that displays, and press Enter.

Note: Both of these options need to be assigned.

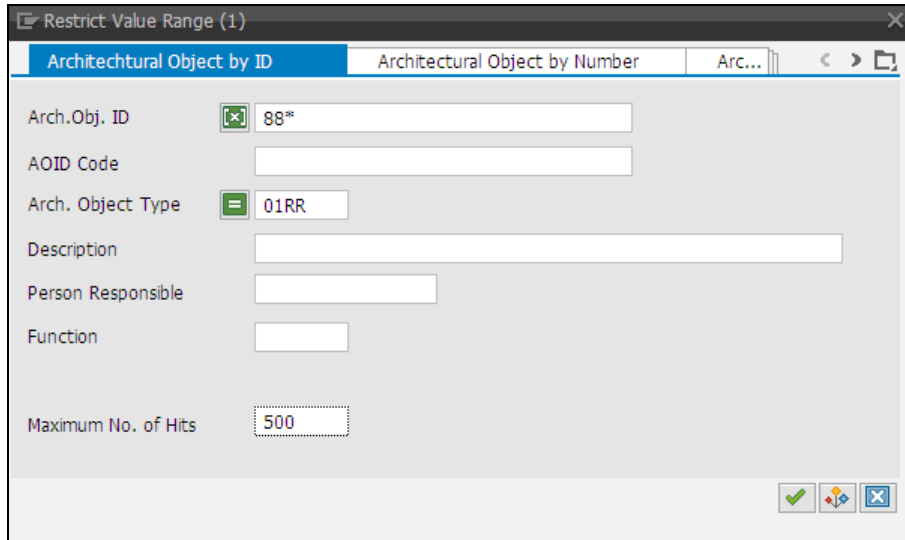


The screenshot shows the 'Object Type (1) 2 Entries found' dialog box. The 'Restrictions' section is active. The list of object types includes:

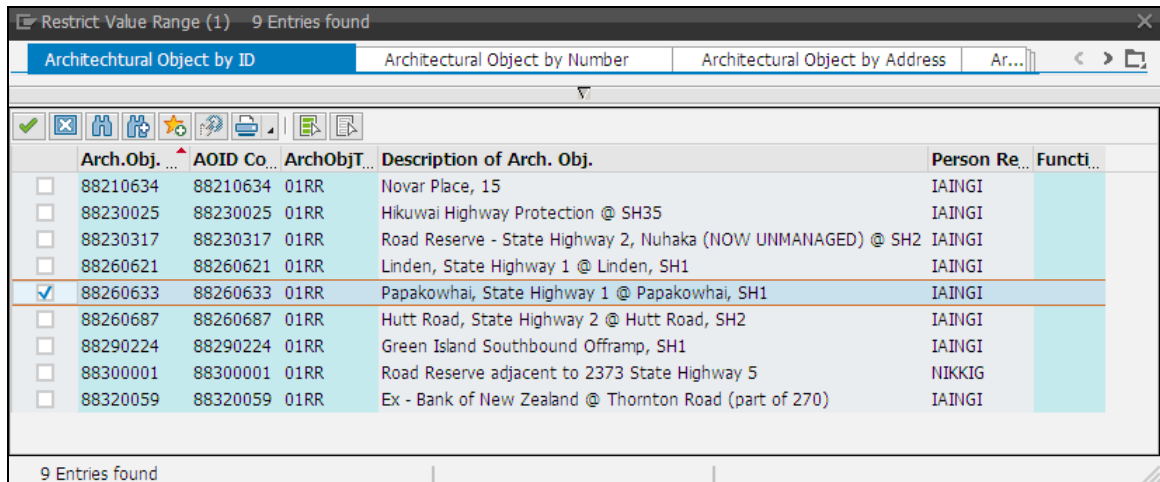
- Ty. I... Object Type
- AO Architect. Object
- WBS WBS element

The '2 Entries found' status is shown at the bottom of the dialog.

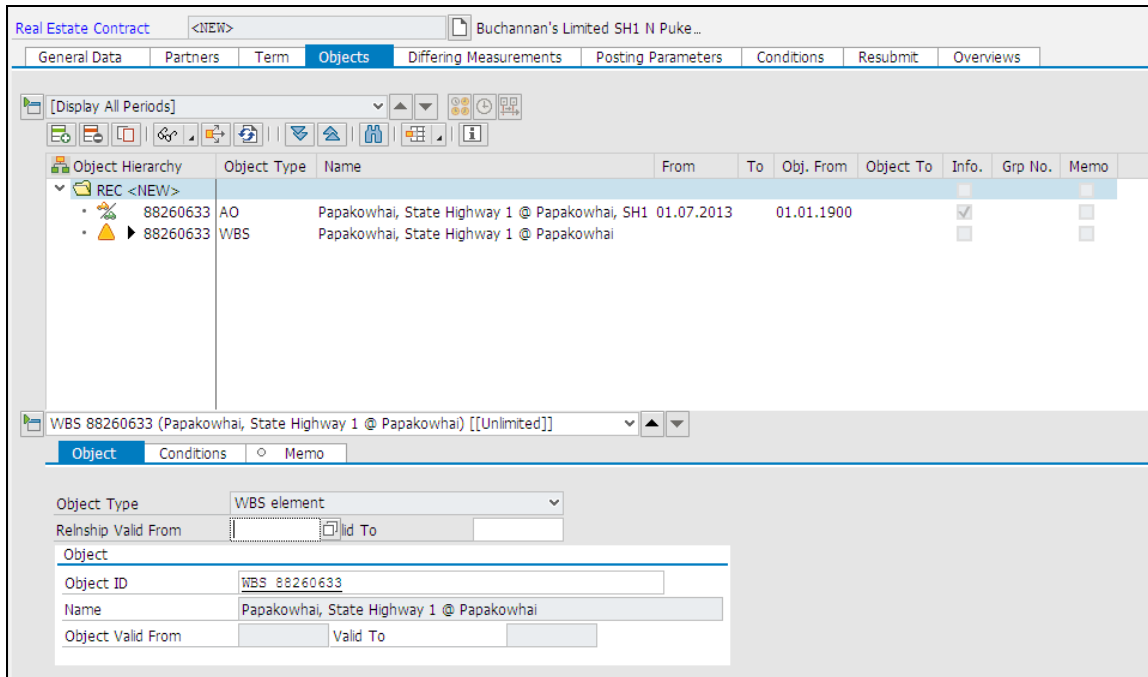
22. Enter the search details (e.g. 88*) in the **Restrict Value Range (1)** dialog box displayed and click the **Find** icon (circled below).



23. Select either the property record the lease is for (e.g. 88000147 NZTA Road Reserve SH1 North Pukerua By) or the WBS (e.g. 88000147) in the **Restrict Value Range (2)** dialog box and click the **Enter** icon to confirm.



Arch.Obj. ...	AOID Co...	ArchObjT...	Description of Arch. Obj.	Person Re...	Functi...
<input type="checkbox"/>	88210634	88210634	01RR	Novar Place, 15	IANGI
<input type="checkbox"/>	88230025	88230025	01RR	Hikawai Highway Protection @ SH35	IANGI
<input type="checkbox"/>	88230317	88230317	01RR	Road Reserve - State Highway 2, Nuhaka (NOW UNMANAGED) @ SH2	IANGI
<input type="checkbox"/>	88260621	88260621	01RR	Linden, State Highway 1 @ Linden, SH1	IANGI
<input checked="" type="checkbox"/>	88260633	88260633	01RR	Papakowhai, State Highway 1 @ Papakowhai, SH1	IANGI
<input type="checkbox"/>	88260687	88260687	01RR	Hutt Road, State Highway 2 @ Hutt Road, SH2	IANGI
<input type="checkbox"/>	88290224	88290224	01RR	Green Island Southbound Offramp, SH1	IANGI
<input type="checkbox"/>	88300001	88300001	01RR	Road Reserve adjacent to 2373 State Highway 5	NIKKIG
<input type="checkbox"/>	88320059	88320059	01RR	Ex - Bank of New Zealand @ Thornton Road (part of 270)	IANGI



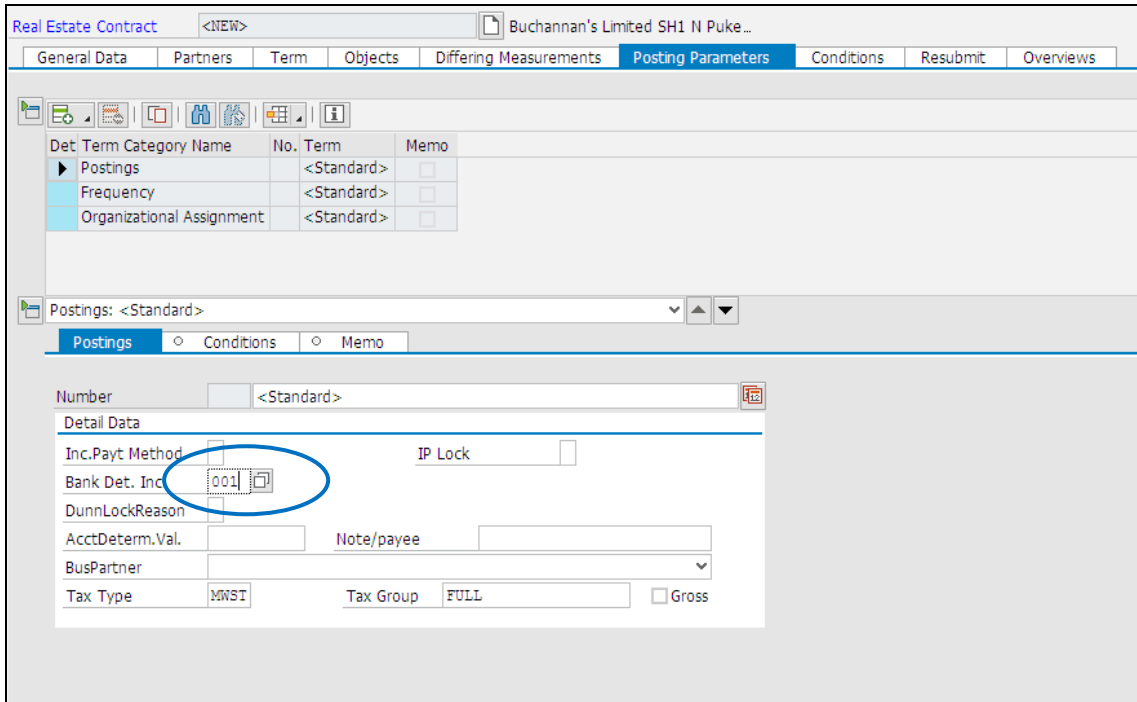
24. Complete the following field on the **Object** section and press Enter:

Field	Description
Relnshp Valid From.	Date from which the relationship is valid (e.g. 27.05.2013).

25. Repeat steps 19 to 24 until both the WBS and Architectural Object have been linked.

26. Click on the **Posting Parameters** tab, and on the **Posting** tab, complete the following field:

Field	Description
Bank Det. Inc.	ID of the bank account the business partner uses to clear open items (e.g. 001). Note: A Business Partner may have more than one bank account loaded, so each is given an ID. The ID of the bank account selected here, is used to clear open items for this lease agreement. For the bank account(s) details to be available they must be set-up in the Business Partner record.



Real Estate Contract <NEW> Buchanan's Limited SH1 N Puke...

General Data Partners Term Objects Differing Measurements **Posting Parameters** Conditions Resubmit Overviews

Det	Term Category Name	No.	Term	Memo
▶	Postings		<Standard>	<input type="checkbox"/>
	Frequency		<Standard>	<input type="checkbox"/>
	Organizational Assignment		<Standard>	<input type="checkbox"/>

Postings: <Standard>

Postings ○ Conditions ○ Memo

Number <Standard>

Detail Data

Inc. Payt Method IP Lock

Bank Det. Inc. **001**

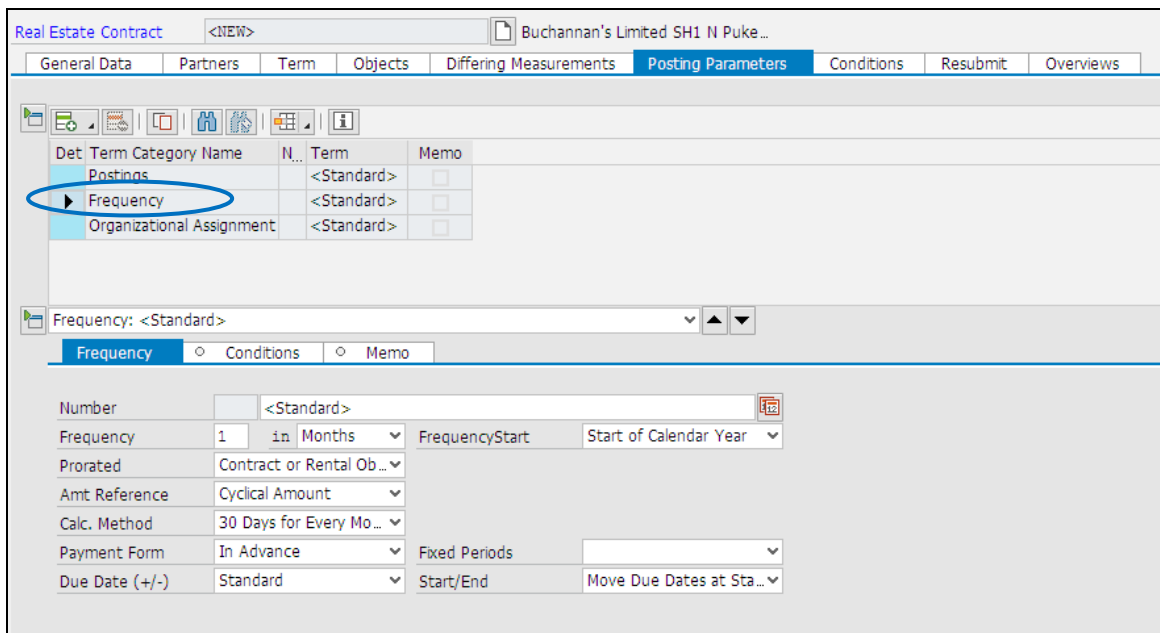
DunnLockReason

AcctDeterm.Val. Note/payee

BusPartner

Tax Type MWST Tax Group FULL Gross

27. Click on the **Posting Parameters** tab, and select **Frequency** from the list (circled below):



Real Estate Contract <NEW> Buchanan's Limited SH1 N Puke...

General Data Partners Term Objects Differing Measurements **Posting Parameters** Conditions Resubmit Overviews

Det	Term Category Name	N...	Term	Memo
	Postings		<Standard>	<input type="checkbox"/>
▶	Frequency		<Standard>	<input type="checkbox"/>
	Organizational Assignment		<Standard>	<input type="checkbox"/>

Frequency: <Standard>

Frequency ○ Conditions ○ Memo

Number <Standard>

Frequency 1 in Months FrequencyStart Start of Calendar Year

Prorated Contract or Rental Ob...

Amt Reference Cyclical Amount

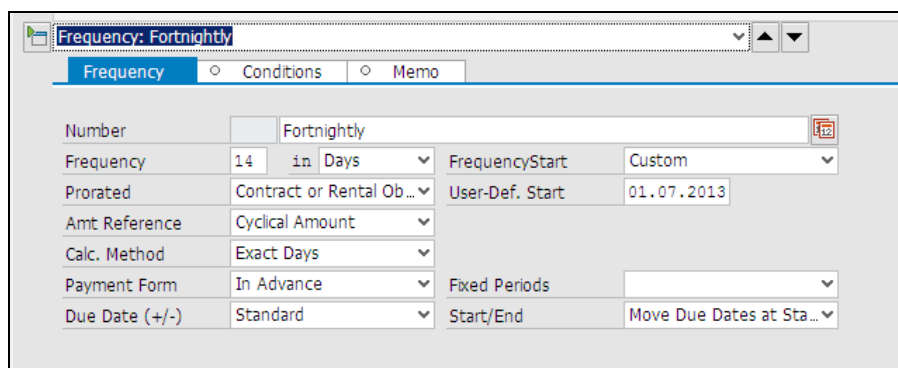
Calc. Method 30 Days for Every Mo...

Payment Form In Advance Fixed Periods

Due Date (+/-) Standard Start/End Move Due Dates at Sta...

28. Complete the following fields on the **Frequency** tab and press Enter:

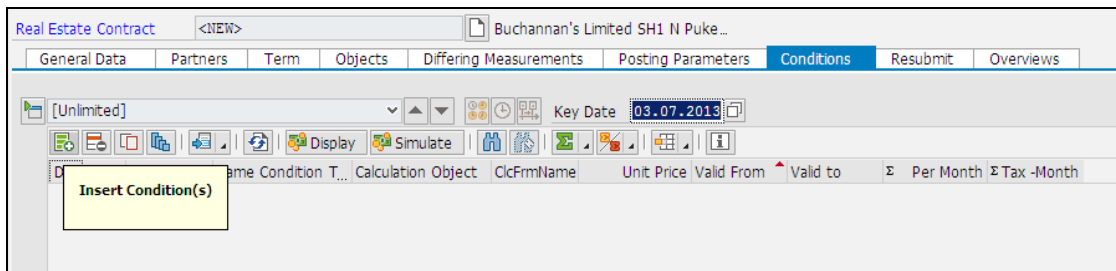
Field	Description
Number	Leave the number field blank but in the field to the right which shows <Standard>, overtype this with the frequency of the rent, as this will appear on the invoice statement (e.g. Fortnightly is standard for residential leases, and Monthly is standard for commercial leases).
Frequency and “in”	This describes the frequency with which the rent is due (e.g. “1” in “Months” described monthly rent payments).
FrequencyStart	For daily, monthly, or annual frequencies, defines the start of the frequency interval (e.g. Custom).
User-Def. Start	Used to define the start date manually (e.g. 01.05.2013). This field only displays if ‘Custom’ is selected in the FrequencyStart field.
Prorated	Specifies how the system handles posting of condition amounts (e.g. Contract or Rental Object Start and End, Pro Rata). if the: <ul style="list-style-type: none"> Contract or rental object start date is not at the beginning of the period. Contract or rental object end date is not at the end of the period.
Amt. Reference	Specifies how a condition amount should be understood in relation to time (e.g. Cyclical Amount). Using this attribute you can, for example, set up annual amounts with monthly posting on the condition item.
Calc. Method	The calculation method specifies whether 30 days or the actual number of days in the month are used for making calculations proportional to the whole month (e.g. Exact Days).
Payment Form	The payment form specifies the date within a period on which the payment is due (e.g. In Advance).
Due date (+/-)	Defines how the due date is corrected/moved (e.g. Standard).
Start/end	Either: <ul style="list-style-type: none"> Move Due Dates. If this indicator is not set, then the determined due date is used, even if the contract start date or rental object start date is in the middle of a period. Start and at End. If this indicator is not set, then the determined due date is used, even if the contract end date or rental object end date is in the middle of a period.



The screenshot shows the SAP 'Frequency' tab configuration. The title bar indicates 'Frequency: Fortnightly'. The 'Frequency' tab is selected, with 'Conditions' and 'Memo' tabs also visible. The configuration fields are as follows:

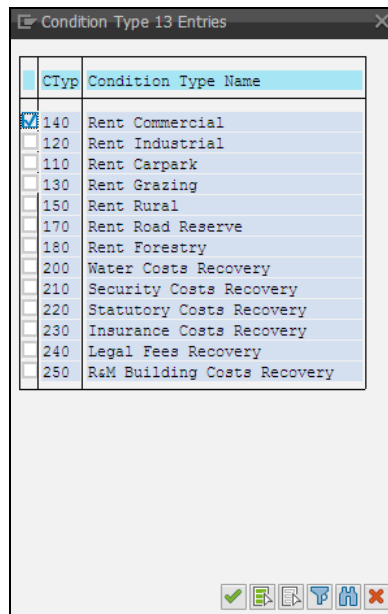
Number	Fortnightly	FrequencyStart	Custom
Frequency	14 in Days	User-Def. Start	01.07.2013
Prorated	Contract or Rental Ob...	Fixed Periods	
Amt Reference	Cyclical Amount	Start/End	Move Due Dates at Sta...
Calc. Method	Exact Days		
Payment Form	In Advance		
Due Date (+/-)	Standard		

29. Click on the **Conditions** tab, and then click on the **Insert Conditions** icon (see below):

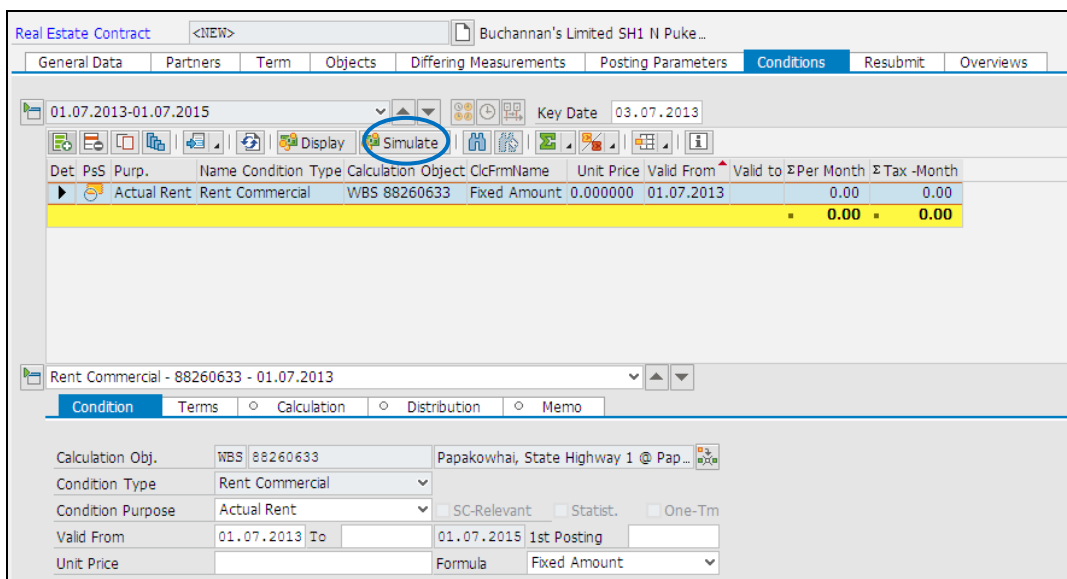


Note: If the **Choose Calculation Object for Condition** dialog box displays, select the **WBS element** (e.g. 88000147 NZTA Road Reserve SH1 North Pukerua Bay) and press Enter to confirm.

30. Place a tick in the box to the left of the Condition Type Name field (e.g. 140 Rent Commercial) from the **Condition Type 13 Entries** dialog box and click the **Enter** icon to confirm.



Result: The **Condition** screen displays.



31. Enter the amount (e.g. 6000) in the **Unit Price** field and press Enter.

Result: The Conditions are updated, showing the monthly rental amount.

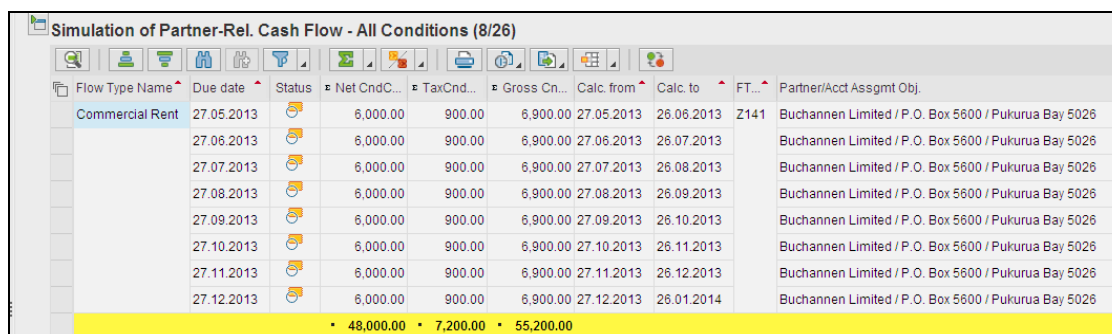
Note: The **Valid From** date must not be before the **Frequency Start** date identified in the **Posting Parameters** tab.

32. Click the **Simulate** button (circled above) to check the postings for the dates entered on the **Terms** tab.

Result: The simulation shows the rent payments for the open-ended commercial rental agreement. In the example below, it shows the first rent payment starting on the 27.05.2013 (circled below) of \$6000 being paid every month ongoing.

Notes:

- Always use Simulation to check that the conditions entered are correct. If the posting are not as expected, check the following dates are entered correctly on the **Terms** tab:
 - contract start and end (if required)
 - cash flow start, and
 - postings.
- Simulations may be run again and again to check different payment conditions.



Flow Type Name	Due date	Status	Net CndC...	TaxCnd...	Gross Cn...	Calc. from	Calc. to	FT...	Partner/Acct Assgmt Obj.
Commercial Rent	27.05.2013		6,000.00	900.00	6,900.00	27.05.2013	26.06.2013	Z141	Buchannen Limited / P.O. Box 5600 / Pukuru Bay 5026
	27.06.2013		6,000.00	900.00	6,900.00	27.06.2013	26.07.2013		Buchannen Limited / P.O. Box 5600 / Pukuru Bay 5026
	27.07.2013		6,000.00	900.00	6,900.00	27.07.2013	26.08.2013		Buchannen Limited / P.O. Box 5600 / Pukuru Bay 5026
	27.08.2013		6,000.00	900.00	6,900.00	27.08.2013	26.09.2013		Buchannen Limited / P.O. Box 5600 / Pukuru Bay 5026
	27.09.2013		6,000.00	900.00	6,900.00	27.09.2013	26.10.2013		Buchannen Limited / P.O. Box 5600 / Pukuru Bay 5026
	27.10.2013		6,000.00	900.00	6,900.00	27.10.2013	26.11.2013		Buchannen Limited / P.O. Box 5600 / Pukuru Bay 5026
	27.11.2013		6,000.00	900.00	6,900.00	27.11.2013	26.12.2013		Buchannen Limited / P.O. Box 5600 / Pukuru Bay 5026
	27.12.2013		6,000.00	900.00	6,900.00	27.12.2013	26.01.2014		Buchannen Limited / P.O. Box 5600 / Pukuru Bay 5026
			48,000.00	7,200.00	55,200.00				

33. Once all required details are entered on the tabs, click the **Check** icon on the top toolbar to verify the data and correct any errors.

34. Once there are no errors, click the **Save** icon.

Result: At the bottom left-hand side of the screen, the message 'Real Estate Contract no. <1000/1*****> has been created' is displayed.

35. Click the **Activate** icon on the top toolbar to activate the lease.

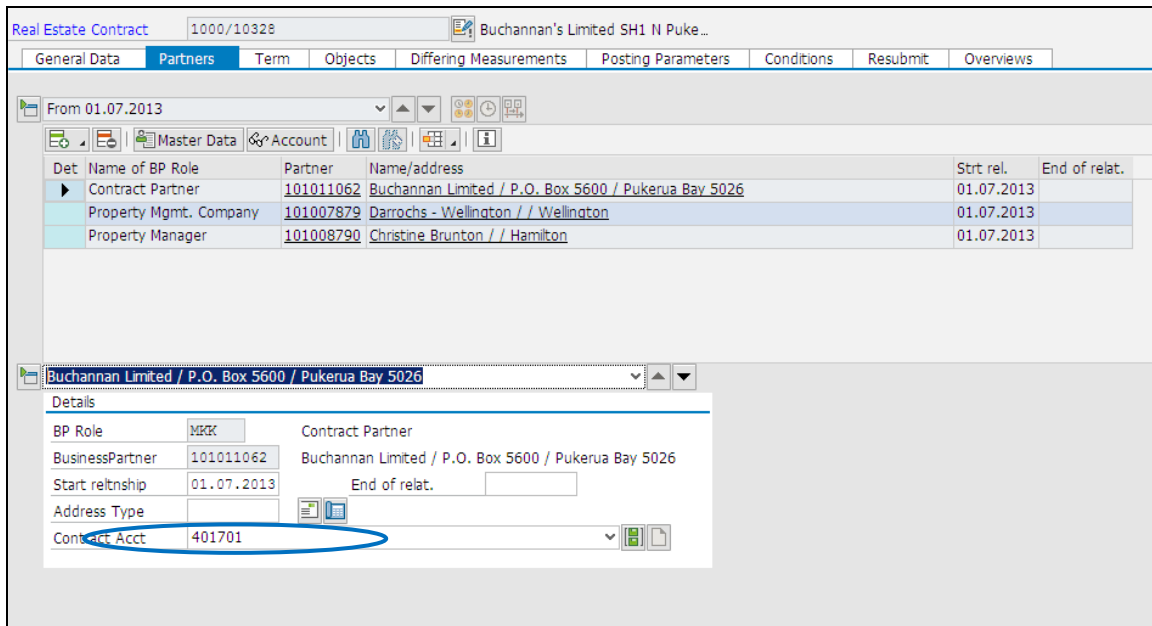
36. Click **Yes** in the **Execute Activity** dialog box that displays.

Result: At the bottom left-hand side of the screen, the message 'Status is changed' is displayed.

37. Click the **Save** icon again to confirm.

38. The Real Estate Contract has been set-up, linked to the Property Record (Architectural Object), and activated. Now the Contract Partner (Business Partner) must be linked into the Financial Accounts by creating a Contract Account. Use the [CAA1 \(Create Contract Account\)](#) transaction guide to do this.

39. Once the Contract Account has been set up for the Contract Partner, display the **Real Estate Contract** and check the **Contract Acct** field (circled below) on the **Partners** tab.



The screenshot shows the SAP Real Estate Contract interface. The 'Partners' tab is active, displaying a table of partners. Below the table, a details pop-up is shown for the selected partner 'Buchanan Limited / P.O. Box 5600 / Pukerua Bay 5026'. The 'Contract Acct' field in the details pop-up is circled in blue.

Det	Name of BP Role	Partner	Name/address	Strt rel.	End of relat.
▶	Contract Partner	101011062	Buchanan Limited / P.O. Box 5600 / Pukerua Bay 5026	01.07.2013	
	Property Mgmt. Company	101007879	Darrochs - Wellington // Wellington	01.07.2013	
	Property Manager	101008790	Christine Brunton // Hamilton	01.07.2013	

Details	
BP Role	MEK Contract Partner
BusinessPartner	101011062 Buchanan Limited / P.O. Box 5600 / Pukerua Bay 5026
Start reltnship	01.07.2013 End of relat.
Address Type	
Contract Acct	401701

Note: The Contract Account that you have just created should be displayed. A Contract Partner may have more than one Contract Account, but each Contract Account is unique to a particular Real Estate contract.