Franchise Fee

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The franchise fee is the per-transaction cut your office owes its brand — set it once for a location and Pipeline takes it off the gross commission before the split.

Introduction

If your office owes a brand a cut of every closing, that cut comes off before Pipeline calculates anyone's split. Doing it by hand means the same arithmetic on every transaction, and one slip changes what every party on the deal takes home.

Pipeline carries it for you. Set the amount once in a location's commission settings and it fills itself in each time someone enters commissions there, coming off the gross commission before the broker/agent split, so what your brokerage and its agents divide is already net of it. Not every brand calls it a franchise fee, either. The field takes your own name for it, whether that's a royalty fee, a broker fee, or whatever your franchisor uses, and that name is what shows up at commission entry.

It stays editable on any single transaction, which matters more than it sounds, because the setting belongs to the location rather than to an agent. An office whose agents sit on different franchise arrangements sets the common figure once and adjusts the exceptions on the deal in front of them.

How It Works

One setting per location, applied to every transaction in that office.

Where You Set It

The franchise fee lives in a location's *Commission & CDA Settings*, reached through **Manage Locations**. Each office in a multi-location account has its own, so offices on different brand arrangements each carry their own figure.

Percent, Flat, or Neither

Choose **[%]** or **[$]**, then enter the amount. Three shapes cover almost every office:

- **Fixed** — enter the amount and it fills in every time.
- **Varies per transaction** — enter `0`, and the field waits empty for whoever enters the commissions.
- **No franchise fee at all** — leave the amount blank and the field stays out of the way.

Give It Your Own Name

The **Franchise fee custom name** field renames the fee everywhere it appears. Only a master admin can change it.

When It Comes Out

Pipeline takes the franchise fee from the transaction's gross commission before it calculates the broker/agent disbursement. When a referral is also on the transaction, the fee calculates on the gross commission less the referral commission — the referral comes out first.

Client fees aren't part of the base. A fee collected from a buyer or seller on top of the commission doesn't enter the franchise fee calculation.

Pipeline Doesn't Divide It for You

Because the fee comes off before the split, it reduces what everyone divides — but Pipeline doesn't work out what portion of it the agent effectively paid and what portion the brokerage did. If your office reports that breakdown, calculate it yourself.

You Can Change It on Any Transaction

Whatever the default is, you can change the amount in *Step 1 — Sale Info* while entering commissions. Offices where only some transactions carry the fee typically set the default to `0` and enter it when it applies.

Set Your Franchise Fee

Set the default franchise fee for a location so it fills in on every transaction there.

Who Can Do This: Master admins.

To set your franchise fee:

1. Click the [Gear] in the upper-right corner, then [Admin / Settings].
2. Click [Manage Locations] in the left menu.
3. Click the [Gear] next to the location, then [Commission & CDA Settings].
4. Scroll to *Franchise Fee* and select [%] or [$].
5. Enter the amount — the fixed figure if it's always the same, or `0` if it varies per transaction. Leave it blank if the office doesn't pay one.
6. Click [Save Settings].

The fee now fills in automatically in *Step 1 — Sale Info* for transactions in that location. Repeat for each location that pays one.

Rename the Franchise Fee

Call the fee what your office calls it — *Royalty Fee*, *Broker Fee*, or anything else.

Who Can Do This: Master admins.

To rename the franchise fee:

1. Click the [Gear] in the upper-right corner, then [Admin / Settings].
2. Click [Manage Locations] in the left menu.
3. Click the [Gear] next to the location, then [Commission & CDA Settings].
4. Scroll to *Franchise Fee* and type your name into **Franchise fee custom name**.

5. Click [Save Settings].

The new name appears wherever the fee shows up for that location.

Change the Franchise Fee on a Transaction

Use a different amount than the location's default on one transaction.

Who Can Do This: Admins with the *enter financial data* permission for the transaction's location.

To change the franchise fee on a transaction:

1. Open the transaction and click [Manage Commissions] or [Update Commissions] in the left menu.
2. In *Step 1 — Sale Info*, find the *Franchise Fee* field with the location's default filled in.
3. Enter the amount this transaction should use, as a percentage of the gross commission or a flat dollar figure.
4. Click [Calculate & Continue] and finish entering the commissions.

Pipeline deducts the amount you entered from the gross before the split, and the location's default stays as it was for the next transaction.

Frequently Asked Questions

Where do I change the default franchise fee?

In the location's Commission & CDA Settings. Admin / Settings, then **Manage Locations**, then the [Gear] next to the location, then [Commission & CDA Settings]. Update the amount under *Franchise Fee* and save; it applies to commission entries going forward.

Can I rename it to Royalty Fee or Broker Fee?

Yes — a master admin can. Type the name into **Franchise fee custom name** in the location's *Commission & CDA Settings*. It's a master-admin field, so support can't make the change for you.

What is the percentage calculated on?

The transaction's gross commission. When a referral is also on the transaction, the referral comes out first and the franchise fee calculates on gross commission less the referral commission.

Does the franchise fee apply to client fees?

No. It runs on the gross commission only. A fee collected from a buyer or seller on top of the commission — an excise tax, an admin fee — isn't part of the base.

Does Pipeline split the fee between the agent and the brokerage?

No. Because it comes off before the split, it reduces what both parties divide — but Pipeline doesn't work out which

share of the fee each of them effectively paid. Calculate that yourself if you report on it.

Can different offices have different franchise fees?

Yes. The setting lives on each location's *Commission & CDA Settings*, so every office is configured on its own.