Take Your Brokerage's Fee Off the Top

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Some money never belongs to the split — a franchise royalty, a broker credit, a lead fee. Take it out of the gross first and Pipeline calculates every percentage underneath on what's actually left.

Introduction

An off-the-top amount is one that comes out of the gross commission before anybody's share is worked out. Your brand's royalty, a broker credit, an internet lead fee, a flat transaction charge. Each of them reduces the number the brokerage and its agents then divide, so every split downstream lands on the correct base without anyone doing arithmetic by hand.

Pipeline gives you two ways to do it, and which one you want depends on how often the fee appears. A charge your brand takes on every single deal belongs in the Franchise Fee field, set once per Location and applied automatically. Anything that shows up occasionally, or varies by deal, belongs in an off-the-top deduction you apply when it's relevant.

When to Use This

- Your franchise takes a royalty percentage off every closing.
- You charge a flat broker fee or transaction fee before splitting the remainder among agents.
- A lead came from a paid source and the office recovers its cost before the split.
- An agent is on a 100% split and you're getting an error trying to enter broker fees.
- Your brand calls it something other than a franchise fee and you want the CDA to say that.

1. Decide Which of the Two Paths You Need

The question is frequency, not size.

- **Every deal, same shape** — use the Franchise Fee. It's configured once per Location and applies itself.
- **Sometimes, or varying** — use an off-the-top deduction. You create the type once and apply it on the transactions where it belongs.

Take an amount out of the gross commission before Pipeline calculates anyone's split, so the figure the brokerage and its agents divide is already net of it.

See Off-the-Top

2. Set a Franchise Fee for the Recurring Cut

Find it under Admin / Settings → Manage Locations → the gear beside the Location → Commission & CDA Settings, and set the percentage your brand takes. If the amount varies from deal to deal, set the default to **0** and enter the real figure on each CDA as you go — the field is still doing the work, it just isn't guessing.

You can also rename it. Offices call it *Broker Credit*, *Royalty Fee*, *Internet Lead Fee*, *Transaction Fee* — whatever you type is what prints on the CDA.

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.

See Franchise Fee

> Because it comes out before the split, a franchise fee — under any name — won't show up on an agent's income report. That's correct behaviour, not a gap: the agent never had that money. If you want the charge to appear in an agent's own numbers, it isn't an off-the-top item at all, it's a deduction taken after the split.

3. Turn On Off-the-Top Deductions for Everything Else

This one is switched off until you switch it on. In the same Commission & CDA Settings page, check **Allow off-the-top deductions** and save — that's what makes the control appear during commission entry.

Then create the deduction type under Admin / Settings → Deductions with its name and default amount, and on the transaction use [Enter off-the-top deductions] at the bottom of the sale info step. Once it's applied, the remaining distributable commission is what you split in the next step, by percentage or by dollar amount.

Set up Commission & CDA Settings for each of your offices to decide who gets paid directly, whose signature signs the CDA, and what instructions your title company reads.

See Commission & CDA Settings

4. Use It When the Agent Takes 100%

On a full-commission agent there is nothing in the brokerage's share, so a broker fee or broker deduction has nowhere to come from and Pipeline will refuse it. That error isn't a bug — it's the module telling you the money you're trying to take doesn't exist yet.

Off-the-top is the answer. Take the office's charge out of the gross first, then give the agent 100% of what remains. The agent still sees a clean full split, and the brokerage still gets paid.