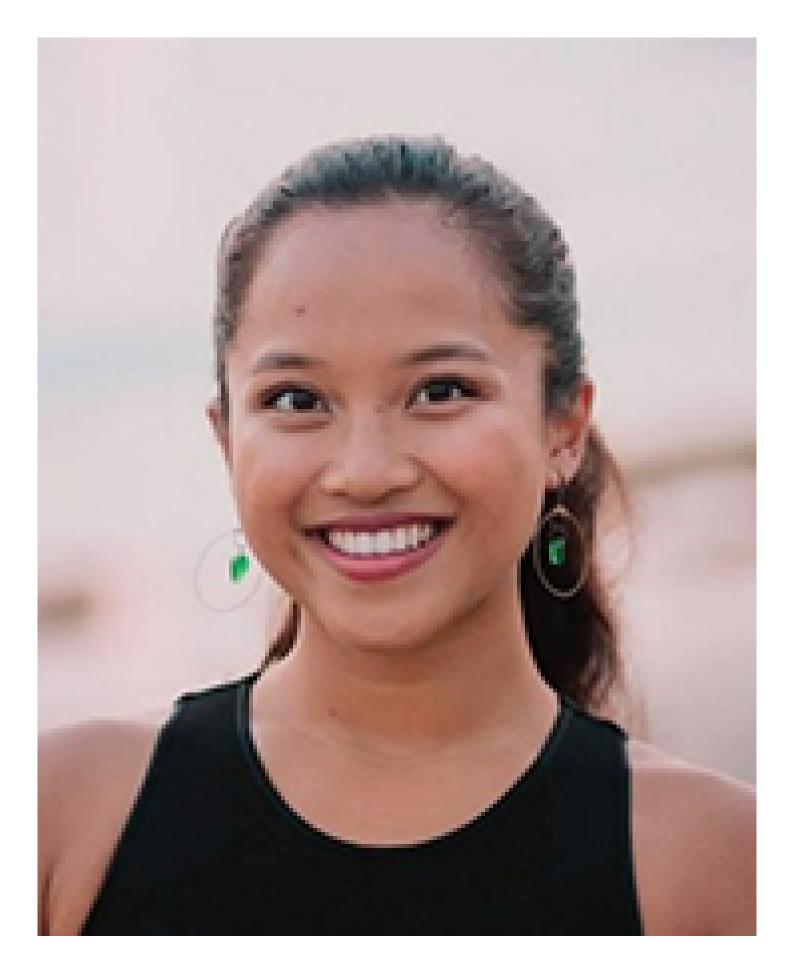# Prevent fraud and bad debt: How tech protects New York communities - Vianna Mabanag

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The New York rental industry is a lucrative target for fraudsters, and recent years have only made it worse. While online leasing has streamlined the leasing journey for many applicants, it has also opened the door for bad actors to manipulate the system, resulting in unpaid rent and bad debt for rental owners.

In fact, the FBI's internet crime report shows internet-based real estate crimes soared from $213 million in 2020 to a staggering $397 million in 2022. The rental industry was no exception, with many fraudsters taking advantage of the rising popularity of online leasing.

Unique New York functionality

The right property management software simplifies compliance with New York's Division of Housing and Community Renewal (DHCR) regulations. It automatically calculates lease renewals and vacancy allowances according to the NYC Rent Guidelines Board's standards for rent-stabilized apartments, and it offers fully integrated screening tools that comply with local legislation to protect both rental providers and residents.

Combatting fraud

Fraudulent documents have evolved to become increasingly complex. It is now more challenging to detect false pay stubs and identification without the help of technology. And in this digital age, relying on onsite teams to play detective is not practical or efficient.

With the help of AI and automation, modern tech can detect fake IDs and altered paystubs instantly, stopping criminals who are trying to exploit the system, and acting as a deterrent when word gets out that your business has a robust fraud prevention strategy in place.

Of the options out there, consider screening tools that are easy to use, easy to train on, and integrate with your property management software for a seamless connection to your property-level data. Overall, you want to choose tech that makes it easy for quality applicants to apply while providing an uninterrupted experience from prospect to resident.

How fraud prevention tech can benefit everyone involved

Implementing automated screening solutions is not just about preventing fraudulent applicants during the leasing process. It's a proactive approach that can be integrated into various stages of your customer's lifecycle.

Easy touring

Enabling ID verification before in-person and self-guided tours enhances security before your prospect enters your property. It can also be used to manage resident visitor and vendor access,

enhancing security within your communities.

Faster leasing

If you implement a connected identity verification solution that seamlessly guides prospects into the applicant stage, prospects who have already verified their identity for a tour won't have to repeat the process if they proceed with an application. This makes it easy for prospects to complete their application and streamlines the approval process for your staff.

Staff efficiency

Using technology to automatically cross-check information and detect any inconsistencies that may indicate potential fraud is a huge game-changer for leasing teams. But the tech doesn't stop at identity verification. You can also leverage automation to authenticate applicant income, ensuring that your applicants are able to afford the rent. Not only does this decrease your staff's manual workload, but it'll also remove the burden of being detectives.

Ongoing verification

Be sure to provide residents with access to a secure portal where they can update their information, as necessary. This contributes to a seamless and secure ongoing resident experience.

Technology: blessing or curse in fraud prevention?

As the rental industry navigates the challenges posed by rising internet-related real estate crimes, technology emerges as both a solution and a deterrent. Online leasing, when coupled with robust ID and income verification solutions, accelerates the leasing process and strengthens the industry against fraud.

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