



How Hanover closed the front door on fraud with ResidentVerify

For years, Hanover Company, a longtime merchant builder of luxury communities, didn't have to worry about fraud to the same extent as many other multifamily communities. The clientele it served didn't raise many red flags. Screening was important, but it wasn't a day-to-day concern for leasing teams.

That all changed when Hanover began rebuilding and leasing up its new portfolio. Fraud didn't appear all at once - it surfaced sporadically in markets like Atlanta, Oakland, and Southern California. The problem began accelerating after the pandemic, as fraudsters grew more sophisticated and traditional screening methods became harder to rely on.

In markets experiencing higher fraud, leasing teams were suddenly dealing with fake identities, falsified income documents, and applicants who knew work arounds to beat manual screening processes. The result was slower approval times. Leasing teams now were spending days reviewing documents and despite their best efforts, bad actors were still slipping through the cracks.

This led to Hanover adopting a **trust, but verify** approach to vetting potential residents.

The core issue Hanover was facing wasn't fraud alone, but rather the lack of flexibility in the traditional screening solutions it had been using. Leasing teams needed the ability to respond in real time, without having to rely on a rigid, one-size-fits all model that treated every market the same.

“We hadn't had those issues [with fraud] before. Then they started to pop up, and we realized we needed to rethink our approach.”

- Nikki Chambers,
Director of Systems and Training,
Hanover Company

Control over complexity

As Hanover began evaluating new screening solutions, ResidentVerify from Entrata stood out because it fit seamlessly into existing leasing workflows. Instead of logging into multiple third-party systems, teams could complete the entire screening process within Entrata - while maintaining full control.

“If I want to change screening parameters or add a new package, I just go in and do it myself for instant gratification. And it’s easy to understand,” said Chambers.

That control extended beyond administrators. Leasing agents received clear, actionable screening results, making it easier for them to make decisions without needing years of experience interpreting credit reports.

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Measured rollout

Rather than overhaul screening everywhere all at once, Hanover layered in tools as needed by market and by property. Today as part of their ResidentVerify package, Hanover has implemented the following:

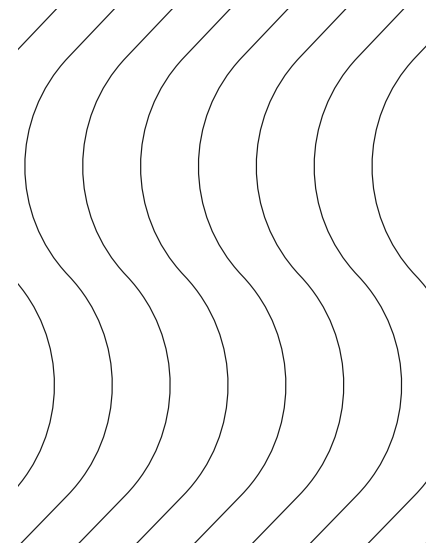
- **PreciseID** to flag fraudulent identities
- **Verification of Income** for automated income validation
- **Snappt integration** when additional document review was required

The process advanced even further with the rollout of Income IQ, part of Entrata’s integration with Plaid. This embedded income verification directly into the application, preventing applicants from moving forward unless their income was verified in real time. What once took days now happened instantly.

Before Income IQ, income verification spanned multiple workflows, resulting in long wait times to verify income, review documents, and follow up with applicants. Even with those checks in place, some fraudsters still slipped through. After embedding income verification into the application:

- Results were immediate
- Fraudulent applications were stopped instantly
- Leasing teams were freed from chasing down paperwork

This is evidenced by a **50% increase** in denials in the **first 90 days of implementation**, which meant more qualified applicants. Additionally, applications are **now processed instantly** as opposed to 3-6 days with Hanover’s previous solution.



Saving more than time

According to Chambers, one property that was hit hard during COVID had more than **\$500,000 in monthly delinquency**. By tightening screening protocols and stopping fraud before it even started, Hanover reversed course. Modifying the screening process not only helped us regain control of the front door, but closed the back door with respect to bad debt and write offs for those fraudsters that were missed before we changed our strategy.

Eliminating fraud did more than just protect their bottom line - **it helped on-site teams earn delinquency bonuses for the first time in years.**

Screening continues to evolve

To stay ahead of increasingly localized and sophisticated fraud attempts, screening processes must remain nimble. At Hanover, protocols can change quarterly, or more often, based on:

- Market conditions
- Lease-up vs. stabilized assets
- Regulatory shifts
- Portfolio-wide credit and income trends
- New markets without historical information

“Our metrics change based on the needs of the business,” said Chambers. “And we can change our screening just as easily.”

As fraud tactics continue to evolve, ResidentVerify helps Hanover protect against fraud before it ever reaches the leasing team.

Regarding ResidentVerify, Chambers concluded, “If it’s a faster, easier solution for site teams, and a better product altogether, I’m all in. Whatever makes life easy for my people is what’s most important to the final decision”

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