

Leading Property Management Provider Scales Renter Onboarding to Reduce Returns and Improve Payment Performance



About the Client

A leading property management and real estate technology provider serving large multifamily and commercial portfolios nationwide.

Challenge

The property management company processes a high volume of WEB ACH debit payments for rent and related services but previously had no formal account validation process in place.

To comply with the Nacha WEB Debit Rule, the organization needed a commercially reasonable way to confirm that renter bank accounts were open, active, and valid prior to initiating ACH debits. Without validation, the organization faced increased compliance risk and limited auditability.

In addition, invalid or mistyped bank account information during renter onboarding led to elevated ACH returns, particularly R03 (No Account / Unable to Locate Account) and R04 (Invalid Account Number). These return codes resulted in failed first payments, delayed move-ins, and downstream operational costs.

Solution

The organization implemented ValidiFI's Account solution to:

Confirm Account Status in Real-Time

ValidiFI validates bank accounts in real time during new renter onboarding and payment enrollment, confirming that accounts are open and active before approvals or first rent payments occur.

Reduce Returns

By validating bank accounts upfront, the organization reduced R03 and R04 return exposure, lowering direct ACH return costs and improving first-payment success. Real-time verification also prevented the rejection of up to 74.6% of potential good payments, resulting in lower operational costs, less reprocessing, and a meaningful reduction in renter complaints and customer service calls.

Strengthen Compliance and CX

A non-permissioned validation approach helped minimize friction for renters while still gaining verification insight and allowing for consistent and auditable process aligned with Nacha compliance requirements.



To learn more about our solutions for property management, visit www.validifi.com or [contact us](#) today.