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THE 2026 OPERATOR'S GUIDE

How to Screen Tenants in New York.

Income verification, identity fraud, document forensics, and the decisions you can defend.

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Verify the truth. Not the document.

2026 Edition
For property managers and landlords

WHAT IS INSIDE

Contents

Read this if you are screening tenants in New York City.

This guide is written for landlords and property managers who handle screening directly. Whether you manage one ADU in Queens or two thousand units across the five boroughs, the framework is the same. The dollar amounts, legal references, and compliance considerations are NYC-specific.

RESEARCH AND METHODOLOGY

How this guide was made.

This guide is based on primary research conducted with more than fifty property managers and landlords operating in New York City. The screening workflows, fraud patterns, and decision practices documented here come from the field, not from desk research.

The research was led by Rill Insights, an independent design research practice based in San Diego. Interviews covered single-unit ADU owners in the outer boroughs through to portfolio operators managing thousands of units across the five boroughs.

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Learn more about the research practice at **rillinsights.design**.

CHAPTER 01

Why screening is broken.

One bad tenant in New York City costs between $20,000 and $75,000 by the time you account for legal fees, lost rent, and the turn.

The screening decision that put them in the unit took an hour. The eviction will take six months.

Tenant screening is the single decision point where most of that risk is created. Yet the way most landlords screen in 2026 has not changed since 2015. Applicants email pay stubs. Someone on the leasing team looks at them. Maybe they call an employer. Then they make a decision.

That process is now broken in four ways.

First, documents are easy to fake. AI tools generate convincing pay stubs, bank statements, and offer letters in under sixty seconds, for free. The detection rate for trained leasing agents looking at AI-generated fakes is below 30 percent.

Second, identities are easier to fabricate. Synthetic identities and CPN-based fraud have moved from a fringe credit-fraud problem into a mainstream rental-fraud vector. Standard credit checks do not catch them.

Third, the workforce has changed. An estimated 36 percent of the U.S. workforce earns income through gig platforms or 1099 contracts. Pay stub workflows do not capture this income, so qualified applicants get pushed out and operators end up with smaller, lower-quality applicant pools.

Fourth, decisions are inconsistent. Subjective judgments made across different leasing agents, properties, and weekdays create both fraud exposure and disparate-impact legal risk.

This guide gives you a practical, action-oriented framework for screening tenants in 2026. It covers income, identity, documents, and decisions. It is written for property managers and landlords who handle screening directly, not for compliance lawyers. Use it as a reference, share it with your leasing team, and tighten up the part of your process that actually matters.

BY THE NUMBERS

The 2026 verification landscape.

$75K
Maximum cost per bad-tenant eviction in NYC, fully loaded

<30%
Detection rate for trained agents
against AI-generated pay stubs

36%
Share of U.S. workforce earning through 1099 or gig platforms

60s
Time required to generate a convincing fake pay stub in 2026

40%
Applicant completion rate for document upload screening

95%
Applicant completion rate for direct-source verification

What you will leave this guide with.

A working checklist for spotting fake pay stubs. A method for verifying income from gig platforms. A framework for catching synthetic identities and CPN fraud. The NYC-specific eviction cost numbers you can quote in your next budget meeting. And a five-step screening protocol your leasing team can apply on Monday morning.

CHAPTER 02

The true cost of one bad tenant in New York.

The eviction cost number that gets quoted in trade press is usually $3,500. That figure is national. It does not include lost rent, holding costs, or unit turn. And it is wrong for New York.

Here is what one bad tenant actually costs in NYC, broken down by line item:

LINE ITEM	RANGE	NOTES
Legal fees	$3,500 – $7,000	NYC housing court attorneys average $400/hr; contested cases run higher
Lost rent during eviction	$14,000 – $60,000	Eviction timeline averages 4 to 12 months; based on $3,500 to $5,000 monthly rent
Unit turn	$1,500 – $3,500	Cleaning, repairs, and damage repair
Filing and service fees	$200 – $400	Court fees, marshal fees, process server
Re-leasing and vacancy	$1,500 – $4,000	Marketing, screening, and vacancy holding
TOTAL	**$20,700 – $74,900**	**Per unit, per bad tenant**

That number is the reason income verification matters. Every dollar spent making the verification process tighter pays back at a ratio of 50 to 1 or higher.

The good news: most rental fraud is preventable. The bad news: traditional methods of catching it are increasingly unreliable. The next chapter explains why.

CHAPTER 03

How to spot a fake pay stub.

Until you switch to direct-source verification, you will keep receiving documents. Use this checklist on every pay stub before approving an application.

Document quality

- ☐ Inconsistent fonts within the same document
- ☐ Misaligned columns or rows
- ☐ Pixelation or blurriness in numbers (a sign of editing)
- ☐ Watermarks that look pasted rather than embedded
- ☐ Missing or incorrect company logo

Math errors

- ☐ Year-to-date totals do not match the sum of pay periods
- ☐ Net pay does not equal gross pay minus deductions
- ☐ Tax withholdings inconsistent with stated gross income
- ☐ Hourly rate times hours does not equal gross pay

Identity inconsistencies

- ☐ Employee name spelling differs from government-issued ID
- ☐ Address on pay stub differs from rental application
- ☐ Employer name does not match a verifiable business

Suspicious patterns

- ☐ Round numbers throughout (real pay stubs rarely produce exact even amounts)
- ☐ Hourly rate does not match listed job title
- ☐ Hours worked exactly 40.00 every period (real timecards vary)
- ☐ Employer appears on a known fake-employer list

CHAPTER 03 (CONTINUED)

Why visual inspection has stopped working.

The fake pay stub generators of 2020 left obvious traces. AI tools available in 2026 do not.

Modern generators produce documents that pass visual inspection. They match math. They reproduce real employer templates pulled from leaked training data. They generate matching bank statements with realistic transaction patterns and merchant categorization.

This is why visual inspection alone has stopped working as a fraud control. The detection rate for trained leasing agents looking at AI-generated fakes is below 30 percent. For fakes with matching bank statements, it drops below 15 percent.

> **The reliable signal is source authentication.**
>
> The only sustainable defense against document fraud is to stop accepting documents. Direct-source verification connects to the payroll system the applicant earns through, then confirms income from the source itself. There is no document for the applicant to forge.

What to do this week

If you are still on a document workflow, three immediate actions reduce risk:

- **Verify employer by phone.** Find the company's main line independently (Google, LinkedIn, Secretary of State filings). Do not call the number on the pay stub. Confirm the applicant is currently employed.
- **Require two consecutive pay periods.** AI generators tend to produce single-document outputs. Asking for two pay stubs in sequence raises the fabrication cost.
- **Cross-reference with bank statements.** Deposit dates and amounts should align with pay stub pay dates. Mismatches are a strong fraud signal.

CHAPTER 04

Verifying gig worker income.

An applicant who drives for Uber, delivers for DoorDash, or freelances on Upwork has the same ability to pay rent as a W-2 employee. The verification problem is that they do not have pay stubs.

Most landlords solve this by asking for bank statements. This creates three problems.

First, bank statements show net deposits, not gross income. Net deposits are after taxes, after platform fees, and after expenses. They understate the applicant's actual earnings, which means qualified applicants get rejected for failing to meet income thresholds they actually meet.

Second, bank statements can be selectively presented or faked. An applicant can show three good months and hide the rest. AI tools now generate convincing bank statements with realistic transaction history.

Third, the workflow is slow. Reviewing six months of statements line by line is not a real screening process. It is a manual audit that nobody on the leasing team has time to do correctly.

The right way to verify gig income

Gig platforms produce earnings data directly. Uber, DoorDash, Lyft, Instacart, Upwork, and similar platforms all maintain driver or contractor portals showing verified earnings history. The data is the source of truth, not the bank deposit.

Operators who can authenticate directly with the gig platform get:

- Verified gross earnings, not net deposits
- Earnings trend over 12 months, not selected statements
- Confirmed platform identity
- Decision in under 30 seconds, not three days of statement review

CHAPTER 04 (CONTINUED)

The applicant pool you are losing.

In New York City, approximately four in ten working renters earn at least part of their income outside a traditional W-2 arrangement.

If your current screening provider cannot verify gig income directly from the platform, you are systematically rejecting a meaningful share of the rental market. The applicants who self-select out of your funnel are not bad tenants. They are good tenants who could not figure out how to prove their income with the tools you gave them.

> **Field test.**
>
> Pull your last 30 declined applications. Count how many were rejected for insufficient income documentation versus actual insufficient income. If more than five were documentation-related, your screening process is leaving qualified tenants on the table.

Common gig platforms with verifiable earnings portals

RIDESHARE	DELIVERY	FREELANCE / CONTRACT
Uber	DoorDash	Upwork
Lyft	Instacart	Fiverr
Via	Grubhub	Toptal
	Uber Eats	Contently

Every platform listed produces verifiable earnings data that can be authenticated in a live session by the applicant. The verification is consumer-permissioned, meaning the applicant authorizes the check from their own account. The result reaches the landlord in seconds.

CHAPTER 05

Identity fraud and synthetic IDs.

Income verification only matters if the person presenting the income is real. A growing share of fraudulent applications use identities that look perfect on paper but do not belong to a real person.

Identity fraud in rental screening shows up in three patterns. The first is straightforward stolen identity: an applicant uses someone else's name, Social Security number, and credit history. The second is synthetic identity: a fabricated person built from a real Social Security number paired with a name, date of birth, and address that do not match the underlying record. The third is CPN-based fraud.

What is a CPN

CPN stands for Credit Privacy Number. CPN sellers market these as a legal way to start fresh after a bad credit history. They are not legal. A CPN is almost always a Social Security number belonging to someone else, often a child, an incarcerated person, or a deceased individual. Federal law prohibits using a number other than your own Social Security number on credit and rental applications.

Applicants who use a CPN typically present a clean credit profile with no history older than 12 months. The credit file looks too new for the applicant's age. That mismatch is the most reliable signal.

> **The minimum viable identity check.**
>
> If your screening provider only checks credit and runs a name and SSN match, you are exposed to synthetic identity fraud. Ask your provider directly: do you verify with a live biometric? Do you flag CPN patterns? Do you cross-reference identities across customers?

CHAPTER 05 (CONTINUED)

How to catch identity fraud at the application stage.

The single highest-leverage control is matching a live biometric to a government-issued ID before any other verification runs.

Signals to watch for in the application

- ☐ Credit file thinner than the applicant's stated age would predict
- ☐ Credit file under 18 months old with no historical accounts
- ☐ Date of birth on ID does not match credit bureau record
- ☐ Address history shows no overlap with employment history
- ☐ Name spelling varies across documents (initial vs. full name)
- ☐ Phone number is a recent VOIP or burner line
- ☐ Email address created within the last 60 days
- ☐ Multiple applications across your portfolio with the same SSN but different identifying details

Layered identity verification

Single-source identity checks are no longer sufficient. The pattern that stops modern identity fraud combines three layers in a single workflow:

- **Government-issued ID with document forensics.** The ID itself is verified against issuing-authority templates, hologram patterns, and machine-readable zones.
- **Live biometric match.** A selfie or live video is matched against the photo on the ID. Liveness detection prevents photo-of-a-photo attacks.
- **Cross-source identity correlation.** The applicant's name, date of birth, SSN, and address are checked against bureau records, public records, and a fraud-network database that flags identities seen on other fraudulent applications.

CHAPTER 06

Document forensics when source verification is not possible.

Direct-source verification is the right default. But some applicants cannot authenticate in a live session, and some workflows require physical documents on file. For those cases, the document itself has to be forensically verified.

When you still need document verification

Three workflows still require documents:

- **Affordable housing income recertification.** LIHTC and Section 8 compliance requires documentary evidence in the tenant file.
- **Applicants without a payroll portal.** Cash-paid workers, informal household employment, and certain small employers.
- **Out-of-band income.** Trust distributions, alimony, and certain investment income do not appear in payroll or gig platforms.

What document forensics actually checks

Modern document forensics goes beyond eyeballing a PDF. The verification compares the submitted document against a known good template from the employer or bank, checks the document's metadata against the visible content, and runs a perceptual analysis to detect inconsistencies that AI-generated documents leave behind. The check produces a confidence score, not a guess.

The forensic check verifies that the document came from the original source, not from a PDF editor. That is the standard that holds up in an audit, and the standard you want defending an adverse-action notice.

CHAPTER 07

NYC tenant screening compliance considerations.

This guide is not legal advice. Consult your housing attorney for specific compliance questions. The points below are general considerations for NYC operators.

Source of income protections

Under the NYC Human Rights Law, source of income discrimination is prohibited. You cannot reject an applicant solely because their income comes from a housing voucher, Social Security, public assistance, or gig work. Verification methods that systematically exclude non-W-2 income sources create disparate impact risk.

FCRA and adverse action notices

If you reject an applicant based on a screening report, federal law requires you to provide an adverse action notice. Document your verification method and decision rationale so you can defend the rejection if challenged.

Tenant data and privacy

The more personally identifiable information you collect, the more liability you carry if you have a breach. Pay stubs and bank statements contain Social Security numbers, account numbers, and transaction histories. Each one is a record you are responsible for protecting. Direct-source verification of a specific attribute (does this applicant earn at least $X per month, yes or no) is the minimum data required for a screening decision.

Affordable housing income recertification

LIHTC and Section 8 units require annual income recertification. Document-based recertification workflows are slow, expensive, and create friction for tenants. Direct-source verification reduces the recertification burden for compliance teams and improves audit defense.

CHAPTER 08

Centralized decisions and bias reduction.

Two leasing agents, looking at the same application, reach different conclusions. Multiply that across a portfolio and the result is both fraud exposure and legal exposure.

Subjective decisions create three problems. They let bad applications through when an agent is tired or rushed. They reject good applications when an agent reads a document incorrectly. And they generate disparate outcomes across protected classes that look like discrimination, whether or not any individual agent was acting in bad faith.

The legal exposure is real

Fair Housing Act claims do not require proof that you intended to discriminate. Disparate impact is enough. If your approval rate is lower for one demographic than another, and you cannot point to a consistent, written screening criteria applied uniformly to every applicant, you are exposed.

What centralized decisioning looks like

- **Written, posted screening criteria.** Every applicant sees the same standards before applying.
- **Standardized verification across all properties.** Same identity, income, and document checks regardless of which agent or property processes the application.
- **Automated decision logic.** Approve/deny rules based on objective thresholds, not gut feel.
- **Auditable decision trail.** Every applicant's verification result and the criteria applied are preserved for the FCRA-mandated retention period.

> **The leasing-team math.**
>
> A centralized screening workflow does not slow your team down. It speeds them up. The applications that meet the criteria move forward automatically. The applications that flag get human review. Your leasing team spends time on tours and lease execution, not on document inspection.

CHAPTER 09

The five-step screening protocol.

Use this protocol on every application. It works whether you have one ADU or two thousand units. Print it. Tape it next to the desk of whoever processes applications.

01

Post your written screening criteria before you take an application

Most NYC landlords use a 40x rule (annual income equals 40 times monthly rent). Document the rule, plus your identity, credit, and rental history standards. Apply the criteria consistently to every applicant. Disparate-impact claims are won and lost on this single point.

02

Verify identity with a live biometric, not a photo of an ID

Government-issued ID matched against a live selfie. Cross-reference the name, date of birth, and SSN against credit bureau records and a fraud-network database. This is the layer that catches CPNs and synthetic identities.

03

Verify income at the source whenever possible

Authenticate the applicant directly with their payroll provider or gig platform. If you must accept documents, run forensic verification against the original-source template, not visual inspection.

04

Verify employment status separately from income

A real pay stub from six months ago does not prove current employment. Confirm the applicant is currently employed at the listed employer. Direct-source verification confirms this in the same session.

05

Centralize the decision and preserve the audit trail

Use the same decision logic for every applicant across every property. Save the verification result, the date, and the method used. Adverse action notices are simpler to defend when the trail is intact.

CHAPTER 10

Why direct-source verification is winning.

Document workflows have a 40 percent applicant completion rate. Direct-source verification has 95 percent.

Sixty percent of applicants asked to upload pay stubs and bank statements abandon. Drop-off is highest among gig workers and applicants under 35. Direct-source verification asks the applicant to log into the payroll provider they already use, authorize the verification in a live session, and the result reaches the landlord in under 30 seconds.

Side by side

	DOCUMENT COLLECTION	DIRECT-SOURCE VERIFICATION
Time to verified result	3 – 5 days	**Under 30 seconds**
Applicant completion rate	40%	**95%**
Fraud exposure	AI-generated fakes pass visual inspection	**No document to forge**
Gig worker coverage	Limited; requires bank statements	**Full; verifies directly from the platform**
Data collected	Full pay stubs, bank statements, SSN exposure	**Specific attribute verification only**
Audit trail	PDF in a folder	**Time-stamped verification record**

The math for operators: larger applicant pool, faster time to lease, lower fraud rate, lower data liability, and gig worker coverage. This is the category Burnt is built to serve.

Burnt

ABOUT BURNT

Stop verifying documents. Start verifying the truth.

Verify the truth. Not the document.

Burnt is the tenant screening platform built for property managers and landlords in New York. Direct-source verification for income and employment. Document forensics, biometric identity checks, and an always-on intelligence layer that flags synthetic identities, CPN fraud, and coordinated fraud networks before they sign a lease. One workflow, every applicant.

- **Verified income and employment** in under 30 seconds, not 3 to 5 days
- **Always-on fraud intelligence** flags synthetic IDs, CPN fraud, and fraud networks
- **Full workforce coverage** W-2 employees, 1099 contractors, and gig workers
- **Centralized, consistent decisions** reduce bias and lower legal exposure

START A CONVERSATION

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