

Rethinking Multifamily Accounting

How automation, AI, and
connected workflows can
help teams close faster,
strengthen controls, and
scale smarter.

entrata®

The OS for property management





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Introduction: Multifamily accounting needs to evolve

Multifamily accounting teams are stretched thin. Owners and investors want accurate financial reports yesterday. Operations teams need real-time visibility into performance to spot efficiency gains. Vendors expect to be paid on time. Controllers need to maintain financial oversight.

On top of all this, accounting teams are managing larger, more complex portfolios without the added headcount to match.

One root cause: many of the processes and tools supporting multifamily accounting were built for a different era, one of manual entry and tabs upon tabs of spreadsheets.

The problem is worse for large portfolios without a centralized accounting function. Closing the books manually for hundreds or thousands of properties is a huge lift, but centralization is only one piece of the puzzle. Many operators still run accounting across multiple point solutions, which invites human error and slows the process. Without automations to move approvals and other workflows forward, bottlenecks are inevitable.

Entering vendor information across multiple properties and systems creates its own risk. If banking details change and one system isn't updated, a vendor doesn't get paid. And budgeting and financial planning become far harder when data is scattered and the

planning tool sits entirely outside the property management system.

Individually, each of these inefficiencies may seem manageable. Together, they can grind your accounting processes to a halt.

Manual handoffs introduce delays and errors. Disconnected systems create disparate data sources that must be reconciled. Every hour the accounting team spends on manual data entry, updating spreadsheets, chasing approvals, or toggling between point solutions is an hour not spent analyzing the financial health of the portfolio.

Modern multifamily accounting should work differently.

Stitching together best-in-class solutions for every part of the accounting process might seem like a good idea at first, but it adds unnecessary complexity that frustrates and burns out your teams. What teams actually need is a way to eliminate the manual, repetitive work described in the introduction, plus AI agents that flag potential issues before they become systemic, controls that mitigate risk, and a unified data layer that keeps all of your data in one place and easy to access.

Ultimately, the goal is to give your teams the tools to work as efficiently as possible, freeing them to focus on higher-value work that grows the business.

SECTION I

The accounting challenges slowing multifamily operators down

Death, taxes, and month-end close are all inevitable. The chaos surrounding close doesn't have to be.

For many accounting teams, monthly close still means a long list of manual tasks repeated across every property in the portfolio. Teams confirm balances, investigate discrepancies, make adjustments, and lock the books for the period.

That's demanding on its own. Multiplied across a large portfolio, it makes closing time far more arduous than the rest of the month.

The work itself is fairly consistent each month. The difficulty lies in coordinating it all and making sure nothing slips through.

When close is managed through spreadsheets, emails, messages, or institutional knowledge, controllers can

struggle to answer seemingly simple questions:

- Which properties are ready to close?
- Are there any outstanding tasks?
- Do any exceptions need to be applied?
- Who is responsible for each closing action?

Your accounting team has skills that make them valuable to your organization. Yet much of their day goes to mundane, repetitive tasks that workflow automations could handle, work that pulls them away from where they add the most value.

A slow close sets off a domino effect. Financial reporting is delayed, owners and investors are left waiting, forecasting and planning rely on stale data, and the team has barely caught its breath before the whole process starts again.



The opportunity: Manage close by exception

The future of month-end close isn't completing the same checklist faster. It's shrinking how much of that checklist needs human attention in the first place.

Routine steps should run automatically according to established business rules. Accountants should step in only when a transaction, balance, or process requires judgment.

That shifts the accountant's role from pushing every task forward to resolving the exceptions that hold the business back.

1. Ledger problems are often discovered too late

Every resident ledger is in constant flux. Credits are issued for overpayments, security deposits, and billing errors. Refunds are processed. Balances shift with each payment, and write-offs happen. Across a large portfolio, that adds up to an enormous volume of ledger activity every month.

Finding an unusual transaction by hand is a needle-in-a-haystack search. A duplicate charge, misapplied payment, unusual write-off, or transaction that breaks from historical patterns can hide in plain sight among thousands of legitimate entries. And the longer an anomaly goes unnoticed, the harder it is to find.

A problem caught immediately may need a simple adjustment. The same problem caught at month-end close could require research, reversals, reclassifications, or corrections that touch accounts receivable and the general ledger. That's why accounting teams should rethink accuracy: verification should happen continuously throughout the accounting cycle, not just at close.

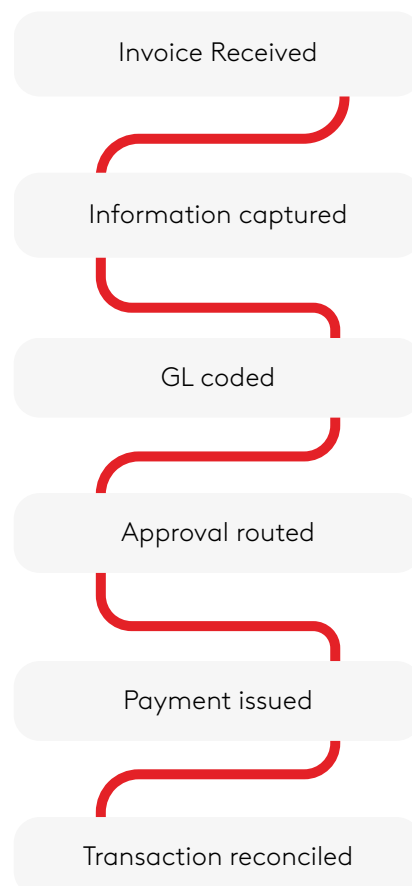
The opportunity: Give accountants an intelligent second set of eyes

AI can review transaction volumes that would be nearly impossible to examine manually. It won't make financial decisions for you. It surfaces unusual activity with the context your team needs to decide what action, if any, to take.

Instead of combing through thousands of transactions for potential problems, accountants start with the ones most likely to need their expertise.

2. AP automation often stops before the finish line

Accounts payable is no stranger to automation, but most organizations haven't automated the entire process. Consider the typical lifecycle of an invoice:



Without automated workflows, that's five handoffs where bottlenecks can form as accounting teams switch systems and re-enter data. The result is a fragmented workflow.

An invoice arrives by email. Someone keys in the information. Another employee determines the coding. An approver receives an email. Once approved, the invoice goes back to accounting. A payment is created. Then the transaction has to be reconciled.

Because each step is so different, automating just one won't solve the larger problem. An OCR tool that captures invoice data saves significant time on data entry, but if approvals aren't triggered automatically, that time is lost chasing them down.

The opportunity: Think invoice-to-pay, not invoice processing

The better question for accounting leaders isn't, "How do we automate invoice entry?" It's, "How much of the journey from receiving an invoice to reconciling its payment can happen in one connected workflow?"

Connecting the full invoice-to-pay lifecycle reduces handoffs, limits duplicate data entry, improves visibility, and lets accounting teams manage the process instead of pushing each invoice through by hand.

3. Vendor information creates an overlooked source of risk

Most organizations have controls for approving invoices and issuing payments. But what happens when the vendor's own information changes?

A vendor may update its tax ID. Payment instructions or details may change. Information in one system may no longer match what's stored elsewhere. Those changes matter because an invoice can be legitimate while the payment information is not. When that happens, payments run late, even if you fully intended to pay on time.

If vendor information is treated as static, accounting teams may not notice a change until they're preparing tax documents, conducting an audit, reconciling a problem, or investigating a payment that already went to the wrong place.



The opportunity: Move from storing vendor information to monitoring it

Vendor management should include visibility into changes that could affect your vendor relationships. Rather than relying on someone to catch discrepancies by hand, your accounting system can flag changes that deserve review before money moves. That visibility adds another layer of financial control to AP.

4. Compliance creates predictable periods of unnecessary stress

Preparing 1099s is a task accounting teams dread every year. A lot of work has to happen in a short window.

Vendor information must be accurate, payments properly categorized, reporting thresholds current, ownership structures accounted for, and submission errors corrected.

The season gets harder still when accounting systems can't keep pace with changing requirements.

Take the 2026 tax year: the reporting threshold for applicable 1099-NEC and 1099-MISC payments risers from \$600 to \$2,000. That change affects which vendors appear in the report and how teams prepare to file.

When accounting platforms don't incorporate regulatory changes automatically, teams fall back on manual processes and spreadsheets, exactly the kind of work modern accounting technology should eliminate.

The opportunity: Build compliance into the workflow

Compliance is easier when the system reflects the rules accounting teams are expected to follow. Instead of discovering problems at filing season, operators can keep vendor and transaction data clean all year. January becomes the final step in the process, not the start of a time-consuming cleanup project.

5. Long-range planning and actual performance live in different worlds

Property management platforms are very good at documenting what has happened. Strategic planning is about deciding what happens next. Too often, those two activities live in separate systems that don't share data.

Traditionally, accounting teams export historical data into spreadsheets, build multi-year projections, circulate versions to stakeholders, adjust assumptions, and eventually land on an approved plan.

Over time, that plan and actual property performance drift apart. Teams then spend extra time pulling information from different sources just to answer basic questions about performance against plan.

The opportunity: Bring planning closer to actuals

Long-range financial planning is more useful when it lives alongside the financial data used to evaluate performance.

A unified data layer lets operators drill into each property's performance while keeping a view of the entire portfolio. Being able to slice data that way is a real competitive advantage: you can see which properties are succeeding, which are struggling, and why.

More importantly, accounting teams spend less time managing spreadsheet versions and more time evaluating the assumptions behind them. The power of a unified data layer isn't just access. It's the understanding owners and operators gain about what the data means for the business and how to use it to improve processes.

6. Financial controls become harder as organizations scale

As noted earlier, a smaller portfolio can get by with solutions that aren't enterprise grade. But as the business grows, operations get more complex.

Smaller businesses move quickly because fewer people are involved in decisions. As businesses grow, what used to be simple now requires many more eyes on financial reports, budgets, and approvals.

Not everyone in the back office has the same authority, nor should they. One team member may enter journal entries but not be authorized to approve them. Another may approve invoices or payments, but only up to a certain amount. As expenses grow, so do

the approval layers needed to review and remit payments.

When these rules live outside the accounting platform, organizations often invent workarounds to enforce them:

- Email approvals
- Spreadsheet trackers
- Manual sign-offs
- Separate documentation for auditors

Each workaround creates another chance for bottlenecks and leaves approval evidence scattered, which can be hard to track down when an auditor asks for proof.

The opportunity: Put controls inside the transaction

Modern accounting systems should enforce financial policies inside the workflow, leaving no room for workarounds. Permissions and approvals can be set by role, property, transaction type, or dollar threshold, so the right controls follow each transaction automatically. That makes the process easier for employees and creates clearer audit trails.

With the right controls in place, administrative work drops, throughput rises, and work gets done correctly and quickly.



SECTION II

A modern approach to multifamily accounting

Solving these challenges one at a time can create a new problem: technology fragmentation. One solution captures invoices, another manages payments, another handles budgeting, spreadsheets track month-end close, and yet another tool delivers management reporting.

Each solution may improve a single process while making the overall accounting environment more complicated. A more scalable approach is to connect accounting workflows through a unified platform.

Entrata® Accounting brings general ledger, journal entries, resident ledgers, period closings, invoice processing, payments, bank reconciliation, budgeting, approvals, and related financial workflows together in one place. The result is an accounting operation built on connected processes rather than disconnected tasks.

Automate the mechanical work of month-end close

Entrata's month-end closing workflows give accounting teams structured control over AR, AP, and GL periods across the portfolio.

Closing tasks can be set at the company level instead of recreated at each property. An entire portfolio can be loaded in bulk, with rules that determine what must be completed before periods advance or lock.

Automatic advancing and locking further reduces the manual administration that has slowed close in the past.

Agent Studio takes automation a step further. Close agents handle repetitive activities across properties, including advancing AR, AP, and GL periods on property-specific schedules, locking periods to prevent backdated entries, and bulk-completing AP closing checklist items.

The goal is to automate the predictable and surface anomalies. Instead of spending closing weeks repeating the same tasks at every property, accounting teams can focus where they're needed most.

As portfolios grow, this matters more. A scalable accounting process shouldn't require accounting headcount to grow at the same rate as the property count.

Use AI to identify potential ledger issues earlier

Entrata Ledger AI intelligently reviews resident ledgers.

Instead of requiring accounting teams to comb through transaction activity for unusual behavior, Entrata's AI highlights atypical transactions, such as potential duplicate charges, misapplied payments, or activity that breaks from historical patterns.

Entrata Accounting also explains why each item was surfaced. AI-powered write-off workflows can suggest classifications and provide confidence scores to help teams categorize adjustments.

AI assists your accounting team by eliminating repetitive work and freeing them to apply their judgment to potential errors. With or without AI, the accounting team remains responsible for every decision.

Connect the entire invoice-to-pay journey

Entrata connects invoice intake, processing, approval, payment, and reconciliation in one accounting environment. For teams just starting to automate, ELI™ Invoice Entry extracts header and line-item data from uploaded PDFs for review before submission. Organizations with higher invoice volumes can use Invoice Processing for email and OCR-driven intake, matching, coding, and routing.

From there, invoices move through configurable approval hierarchies based on property, role, and transaction threshold. Once approved, Bill Pay completes the workflow with electronic payment options including ACH, check, and virtual card. Payments flow back into the accounting environment, where bank reconciliation helps teams match transactions and close the loop.

Instead of automating isolated AP tasks, accounting teams gain continuity from the moment an invoice arrives until the payment is reconciled. That means fewer handoffs, fewer duplicate entries, greater visibility, and less administrative work.

Strengthen vendor and payment controls

Payment security requires visibility beyond the invoice. Entrata's Vendor Trust



capabilities monitor changes to vendor information that could create payment risk. When a vendor's EIN changes, teams are notified immediately instead of discovering the discrepancy during tax prep. A Remittance Review Dashboard gathers vendors with changed payment instructions in one place, so teams can see which updates have been reviewed and which still need attention.

Account synchronization validation can also flag mismatches between VendorAccess information and the organization's vendor record. Together, these capabilities move vendor management from reactive cleanup to proactive financial control. The sooner accounting teams know something has changed, the sooner they can confirm whether the change is legitimate.

Make 1099 preparation less painful

Entrata's updated 1099 capabilities reflect the 2026 tax year threshold change from \$600 to \$2,000 for applicable 1099 reporting. Updated defaults help accounting teams identify the right vendor population, and improvements to form handling and box alignment support preparation across 1099 types.

Tax1099 integration enhancements deliver clearer submission feedback, and corrected indirect-owner rollup calculations help consolidated reporting better reflect ownership structures.

These improvements reinforce a larger principle: compliance shouldn't be something accounting teams bolt onto their workflows once a year. The system should maintain the information needed to support compliance year-round, so filing season becomes predictable.

Bring multi-year planning into the accounting environment

Advanced Budgeting brings multi-year pro forma capabilities into Entrata, giving institutional and enterprise operators a way to build and manage long-range financial plans without relying on external spreadsheets. Portfolio-level templates set consistent assumptions across properties, while property-level overrides account for local differences.

Permissions govern who creates, edits, and approves pro forma workflows, and executive reporting gives leadership visibility into assumptions and projected outcomes. Housing planning and actual financial activity on the same platform closes the gap between strategy and performance.

The result: accounting teams spend less time reconciling versions and more time understanding variance, evaluating assumptions, and helping leadership make informed decisions.

Build approval controls into everyday workflows

Entrata's financial approval infrastructure routes journal entries, invoices, and payments through configurable workflows. Administrators decide who prepares, reviews, and approves transactions based on role, property, transaction type, and threshold.

Approvers review the underlying transaction inside the platform instead of relying on email attachments or offline documentation. The result is a clear, searchable record of how each financial decision was made.

For operators managing internal audit requirements, ownership reporting, or segregation-of-duties policies, these controls replace informal approvals with repeatable workflows.

Turning accounting into a strategic advantage

The biggest benefit of modernizing multifamily accounting isn't the time and resources saved. Those matter, but what matters more is how AI and automation change where accounting teams spend their time once repetitive tasks are off their plate. Consider two models.

In the first, accountants spend much of the month moving financial information through the organization:

- Entering invoices
- Updating spreadsheets
- Checking on close tasks
- Searching for ledger discrepancies
- Chasing approvals
- Reconciling information stored across multiple systems



They never get to the important work: analyzing the story the numbers tell about the business.

In the second model, much of that mechanical work happens automatically:

- Invoices are captured and routed
- Approvals follow predefined rules
- Potential ledger anomalies are surfaced for review
- Close activities advance according to established processes
- Vendor changes are flagged
- Financial information lives on a common platform

The accountant hasn't disappeared. Their expertise matters more than ever.

Instead of bridging disconnected processes,

accounting teams spend more time investigating exceptions, analyzing performance, improving controls, supporting property teams, and advising leadership. That is where the real value of accounting automation lies.

Five principles for modernizing your accounting operation
Modernization doesn't require changing everything overnight. Operators can start by evaluating their current accounting processes against five principles.

1. Automate repetitive work before adding headcount
Identify tasks that repeat across every property and every accounting period. If a process follows consistent rules and requires little judgment, it's a strong candidate for automation.

2. Manage by exception
Your most experienced accountants shouldn't inspect every transaction equally. Use automation and AI to flag activity outside normal parameters and direct human attention there.

3. Connect workflows from beginning to end

Automating one step often just moves the bottleneck. Evaluate the complete process, whether that's invoice-to-pay, ledger-to-close, or budget-to-actuals.

4. Build controls into the platform

Approval policies, permissions, and financial controls are easier to follow when they're embedded in everyday workflows rather than documented in spreadsheets and email chains.

5. Consolidate financial data wherever possible

Every additional accounting system adds another integration, another data source, and another reconciliation point. A unified

accounting environment reduces those handoffs and gives finance teams a consistent view of property and portfolio performance.

Build an accounting operation ready for what's next

Multifamily accounting will always demand accuracy, discipline, and human judgment. What should change is how much manual work it takes to deliver them. Modern accounting technology gives operators a chance to rethink processes that have stood for decades.

Month-end close becomes an exception-driven workflow instead of a monthly scavenger hunt. AI helps accountants catch unusual ledger activity before it becomes a close problem. AP becomes a connected invoice-to-pay process rather than a collection of individual tasks. Vendor monitoring adds another layer of payment protection. Planning moves closer to actual performance. And approvals become part of the transaction rather than a separate administrative exercise.

Entrata Accounting brings these workflows together on a platform built for multifamily operations. By combining core accounting with automation, AI-assisted review, payment workflows, vendor controls, budgeting, and configurable approvals, Entrata helps finance teams cut repetitive work while preserving the human oversight sound financial management requires.

Because the future of multifamily accounting isn't about asking accountants to work faster. It's about building an operation where technology handles the work that never needed an accountant in the first place.

Ready to modernize your multifamily accounting operation?

Learn how Entrata Accounting helps your team simplify month-end close, automate the invoice-to-pay lifecycle, strengthen financial controls, and scale accounting operations across your portfolio.

