

## MQMR Fortifies Internal Audit, Vendor Management for Peoples Home Equity

### COMPANY PROFILE



Formed in 2001, Peoples Home Equity, Inc. is dedicated to the simple goal of helping Americans achieve the dream of responsible homeownership.

Peoples Home Equity is a fully functional conventional and government HUD-approved lender that closes more than \$3 billion dollars in mortgage loans annually. The company has 89+ branch locations and is licensed in 41 states.

By working hard to earn trust and respect with every transaction, Peoples Home Equity continues to grow and prosper alongside its homebuyer and realtor partners

Visit [www.peopleshomeequity.com](http://www.peopleshomeequity.com) to learn more.

### PROBLEM

Shortly after joining People's Home Equity, Inc. (PHE) in 2014, Director of Compliance Mia Ferreira identified several opportunities for optimizing compliance operations. At the time, PHE's in-house vendor management team did not have sufficient capacity to review vendor contracts as thoroughly as the company desired. Also, having just attained approval as a Fannie Mae seller, PHE saw that the company's internal audit process could benefit from strengthening its internal controls and document review process.

PHE sought a third-party vendor to take on the lion's share of the company's vendor management functions and also to reevaluate the company's internal audit program, improve upon current control procedures and execute ongoing internal audits.

### SOLUTION

Having worked with MQMR and HQVM at a previous company, Ferreira knew the MQMR and HQVM teams would be a perfect fit for PHE's internal audit and vendor management needs.

"MQMR is one of my favorite companies to work with, which is why I brought them over to Peoples Home Equity. I don't even think about using another company because I know that MQMR does a phenomenal

job," Ferreira explained. "They are exceedingly proactive in keeping me updated, which I appreciate, and if I make a suggestion, they are receptive to adding it to our program to ensure our needs are being met."

MQMR's internal audit services include both individualized risk assessments and ongoing support to help lenders of all sizes identify credit, regulatory, operational, financial and reputational risks and improve the effectiveness of the risk management, control activities and governance processes.

HQVM combines automation and expertise to create comprehensive, mortgage-specific vendor management solutions to meet each client's operational requirements and risk tolerance. This includes performing an initial vendor assessment, developing due diligence questionnaires, conducting vendor risk analysis, including on-site reviews, administering vendor management technology and producing reports that management can use for operations insights and proof of compliance.

"There are so many other vendors that offer internal audit, compliance and vendor management support, but none like MQMR, whose team is so knowledgeable in the mortgage and servicing space. Add in their 'raving fan' customer service approach, and it makes the decision easy to partner with MQMR," she added.

“

**MQMR and HQVM took on 75 percent of what our quality control manager had been doing so that now he can redirect his focus to other areas that need his attention and protect our bottom line.**

”

Mia Ferreira  
Director of Compliance  
Peoples Home Equity, Inc.

## RESULTS

According to Ferreira, hiring MQMR and HQVM to handle internal audit and vendor management at PHE has allowed her to reorganize the compliance team, thereby enhancing departmental productivity and efficacy.

“Previously, our quality control manager had been charged with vendor management in addition to his other responsibilities,” said Ferreira. “MQMR and HQVM took on 75 percent of what our quality control manager had been doing so that now he can redirect his focus to other areas that need his attention and protect our bottom line.”

In addition to enabling PHE to allocate its internal resources more effectively, working with MQMR and HQVM has proved invaluable to PHE’s ability to meet the requirements of its investors and regulatory examiners.

“MQMR and HQVM have absolutely saved us when it comes to our investors and other lenders that we get approved

with because if we didn’t have a robust system for vendor management and internal audit, it could have been noted as a deficiency,” Ferreira explained. “Furthermore, it’s possible that PHE would face a much larger challenge in passing some of our examinations, even with the state, without MQMR and HQVM’s support and advice.”

For Ferreira, cutting corners on compliance is not an option, which is why she considers the investment in MQMR and HQVM to be well worth the expense.

“Vendor management and internal audit are necessary functions in our industry right now. With production expenses on the rise, I simply can’t afford to not outsource these functions,” Ferreira said. “For me, the real ROI is the ability to free up my team’s time and avoid staffing up to conduct these types of reviews. The quality of MQMR and HQVM’s work and the professionalism and expertise of their respective staffs make me feel that much better about the cost.”

## ABOUT MORTGAGE QUALITY MANAGEMENT AND RESEARCH, LLC (MQMR)

MQMR bridges the gap between risk and compliance through its suite of risk-related services. Since its inception, MQMR has launched multiple products and services to assist lenders in navigating regulatory requirements, including providing mortgage compliance consulting throughout the origination process, conducting internal

audit risk assessments and ongoing internal audit support, servicing QC and subservicing oversight to master servicers, and filling the void of meeting vendor management oversight requirements.

With 2,000+ operational reviews of mortgage companies, subservicers,

document custodians, and vendors annually, MQMR prides itself on being an industry leader in counterparty risk and compliance.

To learn more about MQMR and its family of companies, visit [mqmresearch.com](http://mqmresearch.com), [subsequentqc.com](http://subsequentqc.com), and [hqvendormangement.com](http://hqvendormangement.com).