

Finance of America Expands Reach of Second Lien Reverse Mortgage to Allow More Homeowners 55 and Older to Access Home Equity

HomeSafe Second serves as an attractive alternative to HELOCs and home equity loans

PLANO, Texas--(BUSINESS WIRE)-- Finance of America Companies Inc. (“Finance of America”) (NYSE: FOA), a modern retirement solutions platform, announced today the expanded launch of its HomeSafe Second loan so that more homeowners 55 and older have a tool to access their home equity without adding new monthly payments or changing the existing rate on their first mortgage. With the wider rollout across its direct-to-consumer and wholesale divisions, Finance of America will increase the availability of this second-lien reverse mortgage product to homeowners and originators.

Home price appreciation means many U.S. homeowners have seen significant increases in their housing wealth in recent years, and while this is driving interest in HELOCs and other home equity products, many are unable to benefit from home equity gains for a variety of reasons.

- Selling the home and downsizing may not be feasible due to increased costs to purchase or rent.
- Refinancing and traditional home equity loans are less attractive options given higher interest rates.
- Moreover, qualifying for home equity products can be difficult with [nearly half of applicants](#) (46%) failing to qualify for a HELOC. For older homeowners, receiving home equity financing is even more challenging, with [one-third of all senior refinancing applications](#) denied due to income-based criteria.

HomeSafe Second was intentionally developed to address these barriers and serve homeowners 55 and older in today’s climate.

“Today’s market conditions are uniquely challenging, and innovative financing is needed to fill gaps between consumers and traditional loan products. This is especially true for homeowners over 55 who are not well served by typical home equity solutions despite home equity generally hitting record highs,” said Kristen Sieffert, President of Finance of America. “We’re proud to address that gap with HomeSafe Second and help retirees and pre-retirees access the wealth tied up in their equity without adding a new monthly mortgage payment to their cash obligations.”

Direct-to-Consumer and Wholesale Partner Expansion

Beginning in November, HomeSafe Second will be offered through Finance of America’s

direct-to-consumer division, AAG, with its advertising reach of more than 20 million consumers annually. The increased availability means more homeowners will have access to tools that may help them accomplish key goals, such as renovating their home. Given that older cohorts hold more than [\\$12 trillion](#) in home equity, extending the product through AAG is a strategic step to unlocking more of this market.

In addition to the AAG expansion, HomeSafe Second will be made available to wholesale partners via the Reverse Vision loan origination system used daily by thousands of reverse mortgage professionals across the country. Bringing the product to the point-of-sale environment will enhance third party originator's ability to compare a second lien reverse mortgage to other products and to walk through scenarios with their customers.

"If you're 55 or older and considering a home equity loan or home equity line of credit, I absolutely recommend you work with a trusted advisor to do the math and consider HomeSafe Second instead," said Paul Fiore, Chief Retail Sales Officer at FAR. "As high interest rates continue to make refinancing and other second-lien options unattractive for would-be borrowers, HomeSafe Second fills the gap by providing access to their housing wealth without affecting the favorable rates they may have on a primary mortgage. While similar to a home equity loan or home equity line of credit, HomeSafe Second brings the added benefit of stable financing with no extra monthly mortgage payments required."

The only second-lien reverse mortgage of its kind, HomeSafe Second allows eligible homeowners 55 and older¹ to tap their home equity via a second mortgage without adding a new monthly mortgage payment. This fixed-rate, proprietary reverse loan does not impact the first lien mortgage, neither its balance nor its rate, and no monthly payments are required on this second lien. The borrower must continue to make payments in respect of its first lien mortgage along with property taxes and insurance.

HomeSafe Second is currently available in California, Colorado, Connecticut, Florida, South Carolina, and Texas, with the goal of expanding to more states in the future. Additional information including product details and loan terms is available on the product section of the [FAR website](#).

About Finance of America

Finance of America (NYSE: FOA) is a modern retirement solutions platform that provides customers with access to an innovative range of retirement offerings centered on the home. In addition, FOA offers capital markets and portfolio management capabilities to optimize distribution to investors. FOA is headquartered in Plano, Texas. For more information, please visit www.financeofamerica.com.

About Finance of America Reverse

As a retirement solutions company and part of the Finance of America Companies (NYSE: FOA) family of companies, Finance of America Reverse is committed to empowering people with the tools they need to achieve financial independence and get to work on retirement. Through its team of Licensed Loan Officers and network of professional and wholesale partners, Finance of America Reverse offers products and services designed to help older Americans include home equity in their retirement plans. The company is licensed nationally and is a proud member of the National Reverse Mortgage Lenders Association (NRMLA).

About AAG

AAG, now a division of Finance of America Reverse (FAR), continues its dedication to helping older Americans find new ways to fund a better retirement through the responsible use of home equity. AAG offers a suite of home equity solutions — including Home Equity Conversion Mortgages and proprietary reverse mortgages, that are designed to give seniors a better financial outcome in retirement. Following the asset acquisition of AAG by FAR in April 2023, FAR and AAG together make up one of the largest reverse mortgage companies in the US. The company is licensed nationally (NMLS #2285) and is a proud member of the National Reverse Mortgage Lenders Association (NRMLA). For more information about AAG, please visit www.aag.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not historical facts or statements of current conditions, but instead represent only management's beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside of FOA's control. These statements are subject to risks, uncertainties, assumptions, and other important factors. Factors that could cause FOA's actual results to differ materially from those expressed or implied in such forward-looking statements can be found in the section entitled "Risk Factors" included in FOA's Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC on March 16, 2023, as such factors may be amended and updated from time to time in FOA's subsequent periodic filings with the SEC, which are accessible on the SEC's website at www.sec.gov. Readers are cautioned not to put undue reliance on such forward-looking statements because actual results may vary materially from those expressed or implied. Finance of America assumes no obligation to, and expressly disclaims any obligation to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by applicable law.

¹ *HomeSafe Second customers in Texas must be 62 or older to qualify.*

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