



**FINANCE *of* AMERICA**

NEWS RELEASE

# Finance of America Introduces HomeSafe Second Line of Credit, Unlocking Flexible Access to Home Equity – Without Monthly Mortgage Payments

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Finance of America expands its proprietary HomeSafe product line with a first-of-its-kind line of credit, now available in California, giving homeowners 55+ access to cash as needs arise – without refinancing or new monthly mortgage payments\*

- HomeSafe Second Line of Credit is the mortgage industry's first line of credit that works alongside an existing mortgage, without requiring a new monthly mortgage payment like a traditional HELOC
- Eligible homeowners 55+ can draw available funds, as needs arise – while preserving their existing mortgage and potentially low rate.
- Available beginning April 1 in California, with additional states planned throughout 2026

PLANO, Texas--(BUSINESS WIRE)-- Finance of America Reverse LLC ("FOA" or the "Company"), a leading provider of home equity-based financing solutions for modern retirement, today announced the launch of HomeSafe Second Line of Credit, a new solution designed to give homeowners greater flexibility in how – and when – they access their home equity, without adding a new monthly expense or giving up a possibly low mortgage rate.

Available in California beginning April 1, HomeSafe Second Line of Credit is the industry's first second-lien reverse mortgage line of credit, allowing homeowners 55+ to draw funds over time, as needs arise, after an initial 25% draw at time of origination – while preserving their existing first mortgage and without taking on the new required monthly payments of a traditional HELOC.

“HomeSafe Second Line of Credit could solve a real market need in California,” said Kristen Sieffert, President, Finance of America. “The cost of living is rising amid continued market volatility, and homeowners are looking for solutions. This product gives borrowers the ability to access their home equity on their terms – when they need it – without adding a new monthly mortgage payment.”

Many homeowners who have a low rate first mortgage are disinterested in accessing their home equity by refinancing into a higher-rate loan, but they are interested in tapping their home equity. Homeowners are also discouraged by traditional HELOCs requiring ongoing monthly payments, adding a new expense.

HomeSafe Second Line of Credit removes both constraints. Homeowners can establish a line of credit that allows them to access cash as needed. HomeSafe Second Line of Credit gives homeowners the flexibility they need, whether planning ahead or navigating the unexpected. For example, borrowers may use the line of credit to:

- Fund home improvements or renovations
- Help support family milestones, such as education or home downpayment
- Manage short-term cash needs without taking on a new monthly bill
- Cover unexpected expenses while keeping monthly payments unchanged

Across California, homeownership remains a defining pillar of financial security, particularly among homeowners 55+. Nearly three-quarters of Californians aged 65+ own their homes, and according to Zillow, (<https://www.zillow.com/home-values/9/ca/>) mid-tier home values are approximately \$775,000, among the highest in the nation. Many homeowners built substantial equity during the pandemic-era housing boom and are now locked into historically low mortgage rates. As a result, many are equity-rich but seeking more flexible ways to access liquidity without disrupting prior financial decisions.

That demand is already evident: Second-lien equity withdrawals rose 22% year-over-year in Q1 2025, reaching the highest volume in 17 years (**ICE Mortgage Monitor**).

HomeSafe Second Line of Credit addresses this growing demand. As more homeowners look for liquidity without refinancing, demand for flexible second-lien solutions continues to rise. To help homeowners turn housing wealth into a more accessible financial resource, HomeSafe Second Line of Credit is designed to provide:

- Flexibility – After the minimum 25% draw required at origination, borrow only what you need, when you need it, over a 10-year draw period.
- Growth potential – offering a 1.5% growth rate on unused line of credit for the first 7 years
- Mortgage rate preservation – no need to refinance or replace a lower-rate first lien loan.

## Product Specifications

The chart below compares HomeSafe Second Line of Credit and HomeSafe Second to traditional HELOCs.

\*The borrower must meet all loan obligations, including meeting all loan obligations under the first lien mortgage, living in the property as the principal residence and paying property charges, including property taxes, fees, hazard insurance. The borrower must maintain the home. If the homeowner does not meet these loan obligations, then the loan will need to be repaid.

	HomeSafe Second Line of Credit	HomeSafe Second	HELOC – Home Equity Line of Credit
Age Requirements	55+	55+**	Age of majority
State Availability	CA	AZ, CA, CO, CT, FL, IL, IN, MI, MT, NV, OH, OR, SC, TX, UT, WA	Varies by Lender
Monthly Payments	No new monthly mortgage payment *	No new monthly mortgage payments *	Required monthly payments
Draw Flexibility	A minimum 25% draw is required at time of origination and the draw period is 10 years.	Lump sum only	Flexible – draw period typically ten years
Rate	Adjustable (1-yr CMT + Margin)	Fixed rate (predictable terms)	Typically, adjustable rate
LOC Growth	1.5% on unused balance (7 years)	None	None
Maximum Loan Amount	\$1,000,000	\$1,000,000	Varies
Minimum Credit Score	640+	640+	620+****
Revolving	Nonrevolving. Repaid amounts are not available for future draws.	Nonrevolving	Revolving

## About Finance of America

Finance of America Reverse LLC dba Finance of America (NMLS 2285 Equal Housing Opportunity) is a modern retirement solutions platform that provides customers with access to an innovative range of retirement offerings centered on the home and is the consumer brand and reverse mortgage operating subsidiary of its parent company, Finance of America Companies Inc. (NYSE: FOA) (“Finance of America Companies”). In addition to the reverse mortgage business, Finance of America Companies offers capital markets and portfolio management capabilities primarily to optimize the distribution of its originated loans to investors. Finance of America Companies is headquartered in Plano, Texas. For more information, please visit [www.financeofamericacompanies.com](http://www.financeofamericacompanies.com).

\*\* Excluding Washington, where the minimum age is 60, and Texas, where the minimum age is 62.

The HomeSafe reverse mortgage is a proprietary product of Finance of America and is not related to the Home Equity Conversion Mortgage (HECM) program. HomeSafe products are only available in certain states. Please contact us for a complete list of availability.

\*\*\*\* [https://www.bankrate.com/home-equity/does-heloc-affect-credit-](https://www.bankrate.com/home-equity/does-heloc-affect-credit-score/#:~:text=Learn%20more:%20Should%20you%20use,2025%20Home%20Equity%20Lending%20Study)

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