

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-40308

FINANCE OF AMERICA COMPANIES INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

85-3474065

(I.R.S. Employer Identification No.)

5830 Granite Parkway, Suite 400

Plano, Texas

(Address of principal executive offices)

75024

(Zip Code)

(877) 202-2666

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value \$0.0001 per share	FOA	New York Stock Exchange NYSE Texas, Inc.

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

As of August 6, 2026, 9,217,956 shares of the registrant’s Class A Common Stock, par value \$0.0001, and 8,088,934 shares of the registrant’s Class B Common Stock, par value \$0.0001, were outstanding.

Finance of America Companies Inc.
Quarterly Report on Form 10-Q
Table of Contents

	<u>Page</u>
 <u>PART I - Financial Information</u>	
Item 1.	<u>6</u>
Item 2.	<u>46</u>
Item 3.	<u>72</u>
Item 4.	<u>73</u>
 <u>PART II - Other Information</u>	
Item 1.	<u>74</u>
Item 1A.	<u>74</u>
Item 2.	<u>74</u>
Item 3.	<u>74</u>
Item 4.	<u>74</u>
Item 5.	<u>74</u>
Item 6.	<u>75</u>
Signatures	<u>77</u>

Forward-Looking Statements

References to “we,” “us,” “our,” “FOA,” or the “Company” herein mean Finance of America Companies Inc. and its consolidated subsidiaries.

This Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 (the “Form 10-Q”) contains forward-looking statements within the meaning of the “safe harbor” provisions of the United States of America (“U.S.”) Private Securities Litigation Reform Act of 1995. Forward-looking statements are not historical facts or statements of current conditions, but instead represent only the Company’s beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside of the control of the Company. These statements include, but are not limited to, statements related to our expectations regarding the performance of our business, our financial results, our liquidity and capital resources, and other non-historical statements. In some cases, you can identify these forward-looking statements by the use of words such as “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “could,” “seeks,” “projects,” “predicts,” “intends,” “plans,” “estimates,” “budgets,” “forecasts,” “anticipates,” or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties that could cause actual outcomes or results to differ materially from those indicated in these statements, including those risks described below. Given the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by us or any other person that the results or conditions described in such statements or our objectives and plans will be achieved. The Company cautions readers not to place undue reliance upon any forward-looking statements, which are current only as of the date of the Form 10-Q. Results for any specified quarter are not necessarily indicative of the results that may be expected for the full year or any future period. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based, except as required by law. All subsequent written and oral forward-looking statements concerning the Company or other matters and attributable to the Company or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above. A number of important factors exist that could cause future results to differ materially from historical performance and these forward-looking statements. In addition to the other information in the Form 10-Q, the following risk factors should be considered carefully in evaluating the Company and our business:

- our ability to (1) expand our customer base and acquire and originate loans efficiently while maintaining loan origination quality, (2) finance our loan portfolio, and (3) profitably securitize or otherwise monetize our loan portfolio, all of which will in turn depend upon our ability to manage the unique challenges presented by operating as a business focused on providing home equity-based financing solutions for a modern retirement;
- our ability to realize the anticipated benefits of the efforts we have undertaken to enhance our marketing and digital capabilities, capitalize on strategic partnerships and product expansion, and generally, to operate our business profitably;
- our ability to respond to significant changes in prevailing interest rates and to maintain profitable business operations;
- our geographic market concentration if the economic conditions in our current markets should decline or if our current markets are impacted by natural disasters;
- our ability to achieve anticipated returns from our capital investments in technology;
- our ability to incorporate artificial intelligence technologies into our processes while managing the business, compliance, and reputational risks presented by such technologies;
- our use of the fair value option to account for the majority of our assets and liabilities, which is based on financial models that use market inputs and model assumptions, may require us to write down the value of our assets or write up the value of our liabilities if the market inputs and model assumptions change;
- our ability to prevent cyber intrusions and mitigate cyber risks;
- our Company may be adversely affected by the condition of the U.S. residential mortgage market and other economic, political, business, and/or competitive factors in our business markets and worldwide financial markets, including a sustained period of higher interest rates, evolving trade policies, and geopolitical conflicts;
- our ability to detect and prevent fraudulent activity by loan applicants and other participants in the loan origination process;

- our ability to manage changes in our licensing status, business relationships, or servicing guidelines with the Government National Mortgage Association (“Ginnie Mae”), the United States Department of Housing and Urban Development (“HUD”), or other governmental entities;
- our ability to mitigate risks related to our subservicers and to successfully enhance our internal servicing capabilities;
- our ability to obtain sufficient capital and liquidity to meet the financing and operational requirements of our business and our ability to comply with our debt agreements, including warehouse lending facilities, and pay down our substantial debt;
- our ability to repay or refinance our debt on reasonable terms as it becomes due;
- our ability to manage disruptions in the secondary home loan market, including the mortgage-backed securities market;
- our ability to finance and recover costs of our reverse mortgage servicing operations;
- our ability to maintain compliance with the extensive regulations we are subject to, including consumer protection laws applicable to mortgage lenders, which may be highly complex;
- our ability to compete with national banks, which are not subject to state licensing and operational requirements;
- our ability to manage various legal proceedings, federal or state governmental examinations, and enforcement investigations we are subject to from time to time, the results of which are difficult to predict or estimate;
- our holding company status and dependency on distributions from Finance of America Equity Capital LLC;
- our Class A Common Stock (the “Class A Common Stock”) price may fluctuate or decline and our Class A Common Stock trading history has been characterized by low trading volume, which may result in an inability to sell your shares at a desired price, if at all; and
- our future issuances of additional securities may have a dilutive impact on stockholders.

All of these factors are difficult to predict, contain uncertainties that may materially affect actual results, and may be beyond our control. New factors emerge from time to time, and it is not possible for our management to predict all such factors or to assess the effect of each such new factor on our business. Although we believe that the assumptions underlying the forward-looking statements contained herein are reasonable, any of the assumptions could be inaccurate, and any of these statements included herein may prove to be inaccurate. Please refer to “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in this Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2025 (the “2025 Form 10-K”), filed with the U.S. Securities and Exchange Commission (the “SEC”) on March 13, 2026, and “Risk Factors” in the 2025 Form 10-K for further information on these and other risk factors affecting us, as such factors may be amended and updated from time to time in the Company’s subsequent periodic filings with the SEC, which are or will be accessible on the SEC’s website at www.sec.gov.

Additional Information

To learn more about Finance of America Companies Inc., please visit Finance of America’s investor-oriented website at www.financeofamericacompanies.com and Finance of America’s consumer-oriented website at www.financeofamerica.com. From time to time, we use our investor-oriented website as a channel of distribution of material Company information. We make our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, available free of charge under the Investor Relations section of our investor-oriented website as soon as reasonably practicable after we electronically file the reports with, or furnish them to, the SEC. Our reports, proxy and information statements, and other information filed electronically with the SEC can also be accessed at www.sec.gov.

PART I - Financial Information**Item 1. Financial Statements**

Finance of America Companies Inc.
Condensed Consolidated Statements of Financial Condition
(in thousands, except share data)

	June 30, 2026	December 31, 2025
	(unaudited)	
ASSETS		
Cash and cash equivalents	\$ 85,278	\$ 89,503
Restricted cash	255,187	235,143
Loans held for investment, subject to Home Equity Conversion Mortgage-Backed Securities ("HMBS") related obligations, at fair value	25,044,536	19,135,403
Loans held for investment, subject to nonrecourse debt, at fair value	10,928,261	10,026,177
Loans held for investment, at fair value	516,892	870,081
Intangible assets, net	161,020	179,615
Other assets, net (includes \$188,635 and \$76,146 at fair value)	325,589	197,376
TOTAL ASSETS	\$ 37,316,763	\$ 30,733,298
LIABILITIES AND EQUITY		
HMBS related obligations, at fair value	\$ 24,717,687	\$ 18,912,226
Nonrecourse debt, at fair value	10,641,380	9,736,493
Other financing lines of credit	1,054,766	1,187,699
Notes payable (includes \$61,156 and \$53,800 at fair value, and includes \$87,126 due to a related party as of both June 30, 2026 and December 31, 2025)	347,029	329,929
Payables and other liabilities (includes \$4,221 and \$12,547 at fair value)	149,196	130,729
Repurchase agreement obligation, at fair value	—	40,595
TOTAL LIABILITIES	36,910,058	30,337,671
Commitments and Contingencies (Note 11)		
EQUITY		
Preferred Stock, \$0.0001 par value; 600,000,000 shares authorized; 50,000 shares issued and outstanding as of both June 30, 2026 and December 31, 2025	—	—
Class A Common Stock, \$0.0001 par value; 6,000,000,000 shares authorized; 9,362,420 and 9,921,336 shares issued, and 8,936,570 and 7,899,344 shares outstanding	1	1
Class B Common Stock, \$0.0001 par value; 1,000,000 shares authorized; 12 and 14 shares issued, and 12 shares outstanding as of both June 30, 2026 and December 31, 2025	—	—
Additional paid-in capital	981,042	977,816
Accumulated deficit	(634,101)	(653,660)
Accumulated other comprehensive loss	(285)	(285)
Noncontrolling interest	60,048	71,755
TOTAL EQUITY	406,705	395,627
TOTAL LIABILITIES AND EQUITY	\$ 37,316,763	\$ 30,733,298

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited)

Finance of America Companies Inc.
Condensed Consolidated Statements of Financial Condition
(in thousands)

The following table presents the assets and liabilities of the Company's consolidated variable interest entities ("VIEs"), which are included in the Condensed Consolidated Statements of Financial Condition above, and excludes retained bonds and beneficial interests that eliminate in consolidation.

	June 30, 2026	December 31, 2025
	(unaudited)	
ASSETS		
Restricted cash	\$ 247,429	\$ 227,489
Loans held for investment, subject to nonrecourse debt, at fair value	10,928,261	9,630,812
Loans held for investment, at fair value	105,764	432,724
Other assets, net (includes \$89,264 and \$11,838 at fair value)	130,296	80,738
TOTAL ASSETS	\$ 11,411,750	\$ 10,371,763
LIABILITIES		
Nonrecourse debt, at fair value	\$ 10,641,380	\$ 9,359,493
Other financing lines of credit	138,295	313,699
Payables and other liabilities	1,779	3,784
TOTAL LIABILITIES	\$ 10,781,454	\$ 9,676,976
NET CARRYING VALUE OF ASSETS IN VIEs	\$ 630,296	\$ 694,787

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited)

Finance of America Companies Inc.
Condensed Consolidated Statements of Operations (Unaudited)
(in thousands, except share data)

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
PORTFOLIO INTEREST INCOME				
Interest income	\$ 490,075	\$ 481,800	\$ 957,678	\$ 962,402
Interest expense	(435,160)	(422,336)	(836,493)	(832,503)
NET PORTFOLIO INTEREST INCOME	54,915	59,464	121,185	129,899
OTHER INCOME (EXPENSE)				
Net origination gains	66,576	56,058	127,463	102,096
Gains on securitization of home equity conversion mortgage (“HECM”) tails, net	13,620	10,855	25,287	21,336
Fair value changes from model amortization	(36,199)	(35,456)	(68,219)	(76,412)
Fair value changes from market inputs or model assumptions	(31,543)	94,939	(11,619)	183,202
Net fair value changes on loans and related obligations	12,454	126,396	72,912	230,222
Fee income	7,454	6,739	13,566	13,085
Non-funding interest expense, net	(12,342)	(15,223)	(25,040)	(30,135)
NET OTHER INCOME (EXPENSE)	7,566	117,912	61,438	213,172
TOTAL REVENUES	62,481	177,376	182,623	343,071
EXPENSES				
Salaries, benefits, and related expenses	42,267	36,974	84,871	70,904
Loan production and portfolio related expenses	15,034	9,462	32,700	20,792
Loan servicing expenses	7,743	7,525	15,189	15,266
Marketing and advertising expenses	17,214	12,265	30,553	22,996
Amortization and depreciation	9,929	9,654	19,781	19,312
General and administrative expenses	13,902	13,180	28,361	26,159
TOTAL EXPENSES	106,089	89,060	211,455	175,429
OTHER, NET	(27,448)	(6,361)	(5,967)	(3,994)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	(71,056)	81,955	(34,799)	163,648
Provision (benefit) for income taxes from continuing operations	(42,204)	2,132	(41,111)	4,075
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	(28,852)	79,823	6,312	159,573
NET LOSS FROM DISCONTINUED OPERATIONS	—	—	—	(4,750)
NET INCOME (LOSS)	(28,852)	79,823	6,312	154,823
Net income (loss) from continuing operations attributable to noncontrolling interest	(30,904)	44,900	(13,247)	92,413
Net loss from discontinued operations attributable to noncontrolling interest	—	—	—	(2,722)
NET INCOME FROM CONTINUING OPERATIONS ATTRIBUTABLE TO CONTROLLING INTEREST	2,052	34,923	19,559	67,160
NET LOSS FROM DISCONTINUED OPERATIONS ATTRIBUTABLE TO CONTROLLING INTEREST	—	—	—	(2,028)
NET INCOME ATTRIBUTABLE TO CONTROLLING INTEREST	2,052	34,923	19,559	65,132
Preferred Stock dividends	1,125	—	2,250	—
NET INCOME FROM CONTINUING OPERATIONS ATTRIBUTABLE TO HOLDERS OF CLASS A COMMON STOCK	\$ 927	\$ 34,923	\$ 17,309	\$ 67,160

Finance of America Companies Inc.
Condensed Consolidated Statements of Operations (Unaudited)
(in thousands, except share data)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2026	2025	2026	2025
EARNINGS PER SHARE (Note 16)				
Basic weighted average shares outstanding	8,911,666	11,041,337	8,707,450	10,611,689
Basic earnings per share from continuing operations	\$ 0.10	\$ 3.16	\$ 1.99	\$ 6.33
Basic earnings per share	\$ 0.10	\$ 3.16	\$ 1.99	\$ 6.14
Diluted weighted average shares outstanding	17,000,600	30,137,247	22,499,174	30,152,054
Diluted earnings (loss) per share from continuing operations	\$ (1.28)	\$ 2.13	\$ 0.41	\$ 4.69
Diluted earnings (loss) per share	\$ (1.28)	\$ 2.13	\$ 0.41	\$ 4.56

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited)

Finance of America Companies Inc.
Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited)
(in thousands)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2026	2025	2026	2025
NET INCOME (LOSS)	\$ (28,852)	\$ 79,823	\$ 6,312	\$ 154,823
COMPREHENSIVE INCOME (LOSS) ITEM:				
Impact of foreign currency translation adjustment	—	2	—	(7)
TOTAL COMPREHENSIVE INCOME (LOSS)	(28,852)	79,825	6,312	154,816
Less: Comprehensive income (loss) attributable to noncontrolling interest	(30,904)	44,901	(13,247)	89,687
COMPREHENSIVE INCOME ATTRIBUTABLE TO CONTROLLING INTEREST	\$ 2,052	\$ 34,924	\$ 19,559	\$ 65,129

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited)

Finance of America Companies Inc.
Condensed Consolidated Statements of Equity (Unaudited)
(in thousands, except share data)

	Common Stock												Total Equity
	Preferred Stock		Class A		Class B		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Loss	Noncontrolling Interest			
										Class A LLC Units	Amount		
	Shares	Amount	Shares	Amount	Shares	Amount							
Balance at March 31, 2026	50,000	\$ —	8,551,931	\$ 1	12	\$ —	\$ 984,134	\$ (636,153)	\$ (285)	8,088,934	\$90,417	\$438,114	
Net income (loss)	—	—	—	—	—	—	—	2,052	—	—	(30,904)	(28,852)	
Equity-based compensation, net	—	—	—	—	—	—	2,827	—	—	—	535	3,362	
Conversion of Class A LLC Units for Class A Common Stock pursuant to the Exchange Agreement	—	—	—	—	—	—	(1,291)	—	—	—	—	(1,291)	
Settlement of restricted stock units (“RSUs”)	—	—	595,691	—	—	—	—	—	—	—	—	—	
Cancellation of shares to fund employee tax withholdings	—	—	(211,052)	—	—	—	(3,503)	—	—	—	—	(3,503)	
Dividends declared on Preferred Stock	—	—	—	—	—	—	(1,125)	—	—	—	—	(1,125)	
Balance at June 30, 2026	50,000	\$ —	8,936,570	\$ 1	12	\$ —	\$ 981,042	\$ (634,101)	\$ (285)	8,088,934	\$60,048	\$406,705	

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited)

Finance of America Companies Inc.
Condensed Consolidated Statements of Equity (Unaudited)
(in thousands, except share data)

	Common Stock					Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest		Total Equity
	Class A		Class B		Class A LLC Units				Amount		
	Shares	Amount	Shares	Amount							
Balance at March 31, 2025	10,711,674	\$ 1	14	\$ —	\$ 961,044	\$ (668,686)	\$ (285)	13,219,379	\$ 102,812	\$ 394,886	
Net income	—	—	—	—	—	34,923	—	—	44,900	79,823	
Noncontrolling interest distributions	—	—	—	—	—	—	—	—	(205)	(205)	
Equity-based compensation, net	—	—	—	—	1,990	—	—	—	657	2,647	
Conversion of Class A LLC Units for Class A Common Stock pursuant to the Exchange Agreement	25	—	—	—	—	—	—	(25)	—	—	
Settlement of RSUs	540,275	—	—	—	—	—	—	—	—	—	
Cancellation of shares to fund employee tax withholdings	(175,336)	—	—	—	(3,728)	—	—	—	—	(3,728)	
Foreign currency translation adjustment	—	—	—	—	—	—	2	—	—	2	
Balance at June 30, 2025	11,076,638	\$ 1	14	\$ —	\$ 959,306	\$ (633,763)	\$ (283)	13,219,354	\$ 148,164	\$ 473,425	

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited)

Finance of America Companies Inc.
Condensed Consolidated Statements of Equity (Unaudited)
(in thousands, except share data)

	Common Stock												Total Equity
	Preferred Stock		Class A		Class B		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Loss	Noncontrolling Interest			
										Class A LLC Units	Amount		
	Shares	Amount	Shares	Amount	Shares	Amount	Class A LLC Units	Amount					
Balance at December 31, 2025	50,000	\$ —	7,899,344	\$ 1	12	\$ —	\$ 977,816	\$ (653,660)	\$ (285)	8,381,821	\$71,755	\$395,627	
Net income (loss)	—	—	—	—	—	—	—	19,559	—	—	(13,247)	6,312	
Equity-based compensation, net	—	—	—	—	—	—	5,594	—	—	—	1,192	6,786	
Conversion of Class A LLC Units for Class A Common Stock pursuant to the Exchange Agreement	—	—	650,000	—	—	—	4,273	—	—	(650,000)	(5,564)	(1,291)	
Settlement of RSUs	—	—	599,760	—	—	—	—	—	—	—	—	—	
Cancellation of shares to fund employee tax withholdings	—	—	(212,534)	—	—	—	(3,539)	—	—	—	—	(3,539)	
Issuance of Class A LLC Units	—	—	—	—	—	—	—	—	—	357,113	5,912	5,912	
Repurchase agreement transaction costs (Note 15 - Related Party Transactions)	—	—	—	—	—	—	(852)	—	—	—	—	(852)	
Dividends declared on Preferred Stock	—	—	—	—	—	—	(2,250)	—	—	—	—	(2,250)	
Balance at June 30, 2026	50,000	\$ —	8,936,570	\$ 1	12	\$ —	\$ 981,042	\$ (634,101)	\$ (285)	8,088,934	\$60,048	\$406,705	

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited)

Finance of America Companies Inc.
Condensed Consolidated Statements of Equity (Unaudited)
(in thousands, except share data)

	Common Stock				Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Loss	Noncontrolling Interest		Total Equity
	Class A		Class B					Class A LLC Units	Amount	
	Shares	Amount	Shares	Amount						
Balance at December 31, 2024	9,934,449	\$ 1	15	\$ —	\$ 954,469	\$ (698,895)	\$ (276)	13,891,768	\$ 60,365	\$ 315,664
Net income	—	—	—	—	—	65,132	—	—	89,691	154,823
Noncontrolling interest distributions	—	—	—	—	—	—	—	—	(288)	(288)
Equity-based compensation, net	—	—	—	—	3,490	—	—	—	1,314	4,804
Conversion of Class A LLC Units for Class A Common Stock pursuant to the Exchange Agreement	775,025	—	—	—	5,114	—	—	(775,025)	(5,114)	—
Settlement of RSUs	543,900	—	—	—	—	—	—	—	—	—
Cancellation of shares to fund employee tax withholdings	(176,736)	—	—	—	(3,767)	—	—	—	—	(3,767)
Issuance of Class A LLC Units	—	—	—	—	—	—	—	102,611	2,196	2,196
Class B share retirement	—	—	(1)	—	—	—	—	—	—	—
Foreign currency translation adjustment	—	—	—	—	—	—	(7)	—	—	(7)
Balance at June 30, 2025	11,076,638	\$ 1	14	\$ —	\$ 959,306	\$ (633,763)	\$ (283)	13,219,354	\$ 148,164	\$ 473,425

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited)

Finance of America Companies Inc.
Condensed Consolidated Statements of Cash Flows (Unaudited)
(in thousands)

	Six months ended June 30,	
	2026	2025
Operating Activities		
Net income	\$ 6,312	\$ 154,823
Adjustments to reconcile net income to net cash used in operating activities	(320,437)	(343,378)
Net cash used in operating activities	(314,125)	(188,555)
Investing Activities		
Purchases and originations of loans held for investment	(1,727,216)	(1,654,382)
Proceeds/payments received on loans held for investment	1,212,004	1,334,971
Purchases and originations of loans held for investment, subject to nonrecourse debt	(13,427)	(12,721)
Proceeds/payments on loans held for investment, subject to nonrecourse debt	671,614	518,298
Acquisition of Onity Mortgage Corporation net portfolio assets	(91,825)	—
Other investing activities, net	(849)	(2,694)
Net cash provided by investing activities	50,301	183,472
Financing Activities		
Proceeds from issuance of HMBS related obligations	1,063,025	997,188
Payments on HMBS related obligations	(1,290,498)	(1,335,250)
Proceeds from issuance of nonrecourse debt	2,682,416	1,557,268
Payments on nonrecourse debt	(1,996,055)	(1,434,891)
Proceeds from other financing lines of credit	2,641,246	2,683,000
Payments on other financing lines of credit	(2,774,179)	(2,524,813)
Repurchase of Class A Common Stock and Class A LLC Units	(41,552)	—
Dividends paid on Preferred Stock	(2,250)	—
Other financing activities, net	(2,510)	(2,728)
Net cash provided by (used in) financing activities	279,643	(60,226)
Effect of exchange rate changes on cash and cash equivalents	—	(7)
Net increase (decrease) in cash and cash equivalents and restricted cash	15,819	(65,316)
Cash and cash equivalents and restricted cash, beginning of period	324,646	301,968
Cash and cash equivalents and restricted cash, end of period	\$ 340,465	\$ 236,652
Cash and cash equivalents	\$ 85,278	\$ 46,476
Restricted cash	255,187	190,176
Total cash and cash equivalents and restricted cash, end of period	\$ 340,465	\$ 236,652
Supplementary Cash Flows Information		
Cash paid for interest	\$ 294,288	\$ 356,379
Non-cash investing activities: Loans held for investment acquired	75,117	—
Non-cash financing activities: Nonrecourse debt assumed	76,774	—
Loans transferred to loans held for sale, at fair value, from loans held for investment, subject to nonrecourse debt, at fair value	—	133,534
Loans transferred to loans held for sale, at fair value, from loans held for investment, at fair value	—	47,365

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited)

1. Organization and Description of Business

Finance of America Companies Inc. (“we,” “us,” “our,” “FOA,” or the “Company”) is a financial services holding company which, through its operating subsidiaries, is a leading provider of home equity-based financing solutions for a modern retirement. In addition, FOA offers capital markets and portfolio management capabilities primarily to optimize the distribution of its originated loans to investors.

FOA was incorporated in Delaware on October 9, 2020 and became a publicly-traded company on the New York Stock Exchange (the “NYSE”) in April 2021, with trading beginning on April 5, 2021. On August 15, 2025, FOA’s Class A Common Stock also began trading on NYSE Texas, Inc. FOA continues to maintain its primary listing on the NYSE and trades under the same “FOA” ticker symbol on both exchanges.

FOA has a controlling financial interest in Finance of America Equity Capital LLC (“FOA Equity”). FOA Equity owns all of the outstanding equity interests in Finance of America Funding LLC (“FOAF”). FOAF wholly owns Finance of America Holdings LLC (“FAH”) and Incenter LLC (“Incenter” and collectively, with FOA Equity, FOAF, and FAH, known as “holding company subsidiaries”).

The Company, through its FAH holding company subsidiary, operates a lending company, Finance of America Reverse LLC (“FAR”). Through FAR, the Company originates, acquires, and services HECM loans, which are originated pursuant to the Federal Housing Administration (the “FHA”) HECM program and are insured by the FHA, and non-agency reverse mortgage loans, which are not insured by the FHA. The Company, through its Incenter holding company subsidiary, has operating service companies (the “operating service subsidiaries” and together with FAR, the “operating subsidiaries”) that provide capital markets and portfolio management capabilities.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements comprise the financial statements of FOA and its controlled subsidiaries. The condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) for interim financial statements and pursuant to the accounting and disclosure rules and regulations of the U.S. SEC. The accompanying condensed consolidated financial statements contain all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of its financial condition as of June 30, 2026, its results of operations for the three and six months ended June 30, 2026 and 2025, and its cash flows for the six months ended June 30, 2026 and 2025. The Condensed Consolidated Statement of Financial Condition at December 31, 2025 was derived from audited financial statements but does not contain all of the footnote disclosures from the annual financial statements. Operating results for the interim periods are not necessarily indicative of the results that may be expected for any future period or for the full year. The condensed consolidated financial statements, including the significant accounting policies, should be read in conjunction with the consolidated financial statements and notes as of and for the year ended December 31, 2025 within the Company’s 2025 Form 10-K. The significant accounting policies, together with the other Notes to Condensed Consolidated Financial Statements, are an integral part of the condensed consolidated financial statements.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates regarding loans held for investment, HMBS related obligations, and nonrecourse debt are particularly subject to change. Actual results may differ from those estimates and assumptions due to factors such as changes in the economy, interest rates, secondary market pricing, prepayment assumptions, home prices, or discrete events affecting specific borrowers, and such differences could be material.

Recently Adopted Accounting Guidance

Standard	Description	Effective Date	Effect on Consolidated Financial Statements
Accounting Standards Update (“ASU”) 2024-04, Debt - Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments	In November 2024, the Financial Accounting Standards Board (“FASB”) issued ASU 2024-04, which is intended to clarify the requirements for determining whether to account for certain early settlements of convertible debt instruments as induced conversions or extinguishments.	January 1, 2026	The adoption of this ASU did not have a material impact on our consolidated financial statements.
ASU 2025-05, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets	In July 2025, the FASB issued ASU 2025-05, which is intended to provide a practical expedient to measure credit losses on accounts receivable and contract assets.	January 1, 2026	The adoption of this ASU did not have a material impact on our consolidated financial statements.
ASU 2025-06, Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software	In September 2025, the FASB issued ASU 2025-06, which amends guidance related to accounting for the development costs of internal-use software.	January 1, 2026	The adoption of this ASU did not have a material impact on our consolidated financial statements.

Recently Issued Accounting Guidance, Not Yet Adopted as of June 30, 2026

Standard	Description	Date of Planned Adoption	Effect on Consolidated Financial Statements
ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses	In November 2024, the FASB issued ASU 2024-03, which is intended to improve disclosures by providing more detailed information about the types of expenses in commonly presented expense captions in the income statement.	For the year ending December 31, 2027 and interim periods beginning in 2028.	This ASU will result in additional expense disclosures, but the Company does not expect it will have a material impact on our consolidated financial statements. Adoption of this ASU should be applied on a prospective basis, but retrospective application is permitted.

3. Asset Acquisition

On June 30, 2026, FAR completed the acquisition of certain assets and assumed certain liabilities of Onity Mortgage Corporation (formerly known as PHH Mortgage Corporation) (“OMC”) related to OMC’s reverse mortgage loan origination and servicing business (the “OMC Transaction”). The acquired assets included a portfolio of mortgage servicing rights (“MSR”) associated with HECM loans and certain reverse mortgage loan origination assets, including OMC’s reverse mortgage loan pipeline. Participation interests in such HECM loans had previously been pooled into HMBS, and the Company assumed the HMBS related obligations as part of the OMC Transaction. The OMC Transaction was completed pursuant to an Asset Purchase Agreement, a Reverse Mortgage Servicing Rights Purchase and Sale Agreement, and a Mortgage Loan Sale Agreement, each originally entered into on November 17, 2025 (collectively, the “OMC Purchase Agreements”), with the Asset Purchase Agreement and Reverse Mortgage Servicing Rights Purchase and Sale Agreement subsequently amended on April 30, 2026.

The Company concluded that the OMC Transaction should be accounted for as an asset acquisition because substantially all of the fair value of the assets acquired was concentrated in a single group of similar assets. Accordingly, the transaction was accounted for using a cost accumulation and allocation model, whereby the total

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

cost of the acquisition was allocated to the assets acquired and liabilities assumed based on their relative fair values. As a result, no goodwill was recognized in connection with the transaction.

The following table presents the allocation of the total estimated cost of the acquisition to the assets acquired and liabilities assumed in the OMC Transaction (in thousands):

Consideration transferred:		
Cash consideration ⁽¹⁾	\$	123,858
Assets acquired:		
Loans held for investment, subject to HMBS related obligations	\$	5,574,852
Loans held for investment		54,587
Other assets		42
Total assets acquired	\$	5,629,481
Liabilities assumed:		
HMBS related obligations	\$	5,503,464
Payables and other liabilities		2,159
Total liabilities assumed		5,505,623
Net identifiable assets acquired	\$	123,858

⁽¹⁾ In accordance with the OMC Purchase Agreements, the Company paid cash of \$91.8 million on June 30, 2026. An additional \$24.9 million is expected to be paid during the third quarter of 2026. The remaining \$7.2 million represents a contractual holdback that is expected to be paid through fiscal year 2027. These liabilities are included in Payables and other liabilities in the Condensed Consolidated Statements of Financial Condition.

4. Variable Interest Entities and Securitizations

Consolidated VIEs

The Company securitizes certain of its interests in non-agency reverse mortgage loans and HECM buyouts. The transactions provide investors with the ability to invest in a pool of reverse mortgage loans secured by residential properties. The transactions provide the Company with access to liquidity for these assets, ongoing servicing fees, and potential residual returns. The principal and interest on the outstanding certificates are paid using the cash flows from the underlying reverse mortgage loans, which serve as collateral for the debt. The securitizations are callable at or following the optional redemption date as defined in the respective indenture agreements.

In our capacity as servicer of the securitized loans, the Company retains the power to direct the VIE's activities that most significantly impact the VIE's economic performance. The Company also retains certain beneficial interests in these trusts which provide exposure to potential gains and losses based on the performance of the trust. As the Company has both the power to direct the activities that significantly impact the VIE's economic performance and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE, the definition of a primary beneficiary is met, and the trusts are consolidated by the Company.

The Company also has a financing agreement which is structured as a securitization. The special purpose entity created for the purposes of the financing is a VIE that the Company consolidates, as the Company is the primary beneficiary. The non-agency reverse mortgage loans included in this securitization are recorded in Loans held for investment, at fair value, or in loans held for sale, at fair value, which is included in Other assets, net, and the associated debt is recorded in Other financing lines of credit in the Condensed Consolidated Statements of Financial Condition.

During the three and six months ended June 30, 2026 and 2025, the Company redeemed outstanding securitized notes related to certain non-agency reverse mortgage loan and HECM buyout securitizations. As part of the redemptions, the Company paid off nonrecourse debt with outstanding balances of \$0.6 billion and \$1.4 billion for the three and six months ended June 30, 2026, respectively, compared to \$0.4 billion and \$0.7 billion for the three and six months ended June 30, 2025, respectively. The notes were paid off at par.

From time to time, the Company may purchase securities that were previously issued by consolidated trusts. Under these circumstances, we extinguish the outstanding debt and recognize gains or losses for the difference between the

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

consideration paid and the carrying value of the debt. For the three and six months ended June 30, 2026, the Company recognized gains on extinguishment of debt related to these purchases of \$3.1 million and \$24.4 million, respectively, compared to gains of \$5.1 million and \$17.0 million for the three and six months ended June 30, 2025, respectively.

The following table presents the assets and liabilities of the Company's consolidated VIEs, which are included in the Condensed Consolidated Statements of Financial Condition, and excludes intercompany balances, except for retained bonds and beneficial interests (in thousands):

	June 30, 2026	December 31, 2025
Assets		
Restricted cash	\$ 247,429	\$ 227,489
Loans held for investment, subject to nonrecourse debt, at fair value	10,928,261	9,630,812
Loans held for investment, at fair value	105,764	432,724
Other assets, net (includes \$89,264 and \$11,838 at fair value)	130,296	80,738
Total assets	\$ 11,411,750	\$ 10,371,763
Liabilities		
Nonrecourse debt, at fair value	\$ 11,190,194	\$ 9,806,836
Other financing lines of credit	138,295	313,699
Payables and other liabilities	1,779	3,784
Total VIE liabilities	11,330,268	10,124,319
Retained bonds and beneficial interests eliminated in consolidation	(548,814)	(447,343)
Total consolidated liabilities	\$ 10,781,454	\$ 9,676,976

Unconsolidated VIEs

Transfers of loans accounted for as sales

The Company securitized certain of its interests in non-agency reverse mortgage loans and in agency-eligible residential mortgage loans. The transactions provided investors with the ability to invest in a pool of mortgage loans secured by residential properties and provided the Company with access to liquidity for these assets and ongoing service fees. The Company's beneficial interest in the securitizations is limited to a 5% retained interest in the trusts. The Company determined that the securitization structures meet the definition of a VIE and concluded that it does not hold a significant variable interest in the securitizations and that the contractual role as servicer is not a variable interest. The transfers of the loans to the VIEs were determined to be sales, and the Company derecognized the mortgage loans and did not consolidate the trusts.

The Company's continuing involvement with and exposure to loss from the VIEs includes the carrying value of the retained bonds, the servicing asset recognized in the sale of the loans, servicing advances in the role as servicer, and obligations under representations and warranties contained in the loan sale agreements. Creditors of the VIEs have no recourse to the Company's assets or general credit. The underlying performance of the mortgage loans transferred has a direct impact on the fair values and cash flows of the beneficial interests held and the servicing asset recognized.

Transfer of loans accounted for as a secured borrowing

The Company securitized certain non-agency reverse mortgage loans where its beneficial interest in the securitization was limited to a 5% retained interest in the trust. The Company determined that this securitization structure met the definition of a VIE and concluded that it did not hold a significant variable interest in the securitization and the Company did not have the power to direct the activities that most significantly affect the economic performance of the VIE. However, the transfer of the loans to the VIE was determined not to be a sale. As such, the Company continued to recognize the loans and recognized a nonrecourse liability for the proceeds received from third parties for the transfer of the loans. Bonds issued in the securitization that were retained by the Company were not recognized.

During the first quarter of 2026, the Company acquired certain beneficial interests and other rights in previously unconsolidated VIEs. As a result, the Company reassessed its involvement with the VIEs and determined that it was

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

the primary beneficiary, as it had both the power to direct the activities that significantly impact the VIEs' economic performance and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIEs. Accordingly, the Company began consolidating the VIEs upon acquisition of these interests. In addition, during the first quarter of 2026, the Company redeemed the outstanding securitized notes issued by the VIEs.

The following tables present the unconsolidated VIEs for which the Company holds variable interests (in thousands):

	June 30, 2026				
	Carrying value		Maximum Exposure to Loss	Total Assets in VIE	
	Assets	Liabilities			
Transfer of loans - sale treatment					
Retained interests	\$ 38,695	\$ —	\$ 38,695	\$ 773,841	
	December 31, 2025				
	Carrying value		Maximum Exposure to Loss	Total Assets in VIEs	
	Assets	Liabilities			
Transfers of loans - sale treatment					
Retained interests	\$ 43,943	\$ —	\$ 43,943	\$ 879,314	
Transfer of loans - secured borrowing					
Loans and nonrecourse liability	395,364	376,423	18,941	395,364	
Total	\$ 439,307	\$ 376,423	\$ 62,884	\$ 1,274,678	

As of June 30, 2026 and December 31, 2025, there were \$0.4 million and \$0.7 million, respectively, of mortgage loans transferred by the Company to unconsolidated securitization trusts that were 90 days or more past due.

Issuance of HMBS

The Company securitizes HECM loans into HMBS, which Ginnie Mae guarantees, and sells the HMBS in the secondary market while retaining the rights to service the HECM loans. The Company determined that HECM loans transferred into HMBS do not meet the requirements of sale accounting and are not derecognized upon date of transfer. As of June 30, 2026, the Company was servicing 3,534 Ginnie Mae loan pools and the weighted average interest rate on the HMBS related obligations was 5.6%. As of December 31, 2025, the Company was servicing 3,086 Ginnie Mae loan pools and the weighted average interest rate on the HMBS related obligations was 5.6%.

5. Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is based on the assumptions market participants would use when pricing an asset or liability and follows a fair value hierarchy that prioritizes the information used to develop those assumptions. The fair value hierarchy gives the highest priority to quoted prices available in active markets (i.e., observable inputs) and the lowest priority to data lacking transparency (i.e., unobservable inputs). In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

All aspects of nonperformance risk, including the Company's own credit standing, are considered when measuring the fair value of a liability.

The following is a description of the three levels of the fair value hierarchy:

Level 1 Inputs: Quoted prices for identical instruments in active markets.

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Level 2 Inputs: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 Inputs: Instruments with unobservable inputs that are significant to the fair value measurement.

The Company classifies assets and liabilities in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period. There were no transfers into or out of Level 3 within the fair value hierarchy during the three and six months ended June 30, 2026 and 2025.

The following are descriptions of the valuation methodologies used to measure material assets and liabilities at fair value and the details of the valuation models, key inputs to those models, and significant assumptions utilized. Within the assumption tables presented, not meaningful (“NM”) refers to a range of inputs that is too broad to provide meaningful information to the user or to an input that has no range and consists of a single data point. Weighted averages are calculated by weighting each input by the relative outstanding balance of the related financial instrument.

Instrument	Valuation Techniques	Classification of Fair Value Hierarchy
Assets		
Loans held for investment, subject to HMBS related obligations⁽¹⁾		
HECM loans - securitized into Ginnie Mae HMBS	These loans are valued utilizing a present value methodology that discounts estimated future cash flows over the life of the loan portfolio using weighted average remaining life (“WAL”), conditional prepayment rate (“CPR”), loss frequency, loss severity, borrower draw rate, and discount rate assumptions.	Level 3
Loans held for investment, subject to nonrecourse debt⁽¹⁾		
Non-agency reverse mortgage loans - securitized	These loans are valued utilizing a present value methodology that discounts estimated future cash flows over the life of the loan portfolio using WAL, loan-to-value (“LTV”), CPR, loss severity, home price appreciation (“HPA”), and discount rate assumptions, inclusive of the credit spread component.	Level 3
HECM buyouts - securitized (performing)	These loans are valued utilizing a present value methodology that discounts estimated future cash flows over the life of the loan portfolio using WAL, CPR, loss severity, and discount rate assumptions.	Level 3
HECM buyouts - securitized (nonperforming)	These loans are valued utilizing a present value methodology that discounts estimated future cash flows over the life of the loan portfolio using WAL, CPR, loss frequency, loss severity, and discount rate assumptions.	Level 3
Loans held for investment		
Non-agency reverse mortgage loans	These loans are valued utilizing a present value methodology that discounts estimated future cash flows over the life of the loan portfolio using WAL, LTV, CPR, loss severity, HPA, and discount rate assumptions, inclusive of the credit spread component.	Level 3

⁽¹⁾ The Company aggregates loan portfolios based on the underlying securitization trust and values these loans using these aggregated pools. The range of inputs provided is based on the range of inputs utilized for each securitization trust.

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

HECM buyouts (nonperforming)	The fair value of nonperforming repurchased loans is based on expected cash proceeds from the liquidation of the underlying properties and expected claim proceeds from HUD. These loans are valued utilizing a present value methodology that discounts estimated future cash flows over the life of the loan portfolio using WAL, CPR, loss frequency, loss severity, and discount rate. Termination proceeds are adjusted for expected loss frequencies and severities to arrive at net proceeds that will be provided upon final resolution, including assignments to the FHA. Historical experience is utilized to estimate the loss rates resulting from scenarios where FHA insurance proceeds are not expected to cover all principal and interest outstanding and, as servicer, the Company is exposed to losses upon resolution of the loan.	Level 3
Other assets		
Loans held for sale	The reverse mortgage loans are valued based on an expected margin on sale.	Level 3
Retained bonds	The retained bonds are valued utilizing a present value methodology that discounts estimated future cash flows over the life of the bond using WAL and discount rate assumptions.	Level 3
Liabilities		
HMBS related obligations		
HMBS related obligations	The fair value is based on the net present value of projected cash flows over the estimated life of the liability. The fair value of the HMBS related obligations also includes the consideration required by a market participant to transfer the HECM and HMBS servicing obligations, including exposure resulting from shortfalls in FHA insurance proceeds as well as assumptions that it believes a market participant would consider in valuing the liability, including, but not limited to, assumptions for repayment, costs to transfer servicing obligations, shortfalls in FHA insurance proceeds, and discount rates. The significant unobservable inputs used in the measurement include WAL, CPR, and discount rates.	Level 3
Nonrecourse debt		
Non-agency reverse mortgage loan securitizations and performing/nonperforming HECM securitizations	The fair value is based on the net present value of projected cash flows over the estimated life of the liability. The significant unobservable inputs used in the measurement include WAL, CPR, and discount rates, inclusive of the credit spread component.	Level 3
Convertible Notes		
Convertible Notes	The Company's unsecured convertible promissory notes (the "Convertible Notes") are measured based on the closing market price of the Company's publicly-traded stock on the applicable date of the Condensed Consolidated Statements of Financial Condition.	Level 2
Repurchase Agreement obligation		
Repurchase Agreement obligation	The Repurchase Agreement obligation was measured based on the total consideration payable upon the second closing of the Repurchase, which occurred on February 27, 2026. Refer to Note 15 - Related Party Transactions for additional information.	Level 2

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Deferred purchase price liabilities

Tax Receivable Agreement (“TRA”) obligation	The fair value is derived through the use of a discounted cash flow (“DCF”) model. The significant unobservable assumptions used in the DCF include the ability to utilize tax attributes based on current tax forecasts, a constant U.S. federal income tax rate, and a discount rate.	Level 3
AAG/Bloom	These liabilities were measured based on the estimated amount of indemnified claims associated with the acquisition of certain assets and liabilities from American Advisors Group, now known as Bloom Retirement Holdings Inc. (“AAG/Bloom”), as well as the closing market price of the Company’s publicly-traded stock as of December 31, 2025. No such liabilities existed as of June 30, 2026.	Level 3

Instrument / Unobservable Inputs	June 30, 2026		December 31, 2025	
	Range	Weighted Average	Range	Weighted Average
Assets				
Loans held for investment, subject to HMBS related obligations				
WAL (in years)	NM	3.0	NM	3.1
CPR	NM	21.6 %	NM	20.9 %
Loss frequency	NM	4.7 %	NM	4.5 %
Loss severity	5.6% - 15.5%	5.6 %	5.8% - 15.8%	6.0 %
Average draw rate	NM	1.1 %	NM	1.1 %
Discount rate	NM	5.0 %	NM	4.7 %
Loans held for investment, subject to nonrecourse debt:				
Non-agency reverse mortgage loans - securitized				
WAL (in years)	NM	9.9	NM	9.8
LTV	NM	51.3 %	NM	49.9 %
CPR	NM	15.1 %	NM	15.0 %
Loss severity	NM	10.0 %	NM	10.0 %
HPA	(2.9)% - 5.1%	3.8 %	(6.8)% - 5.3%	3.7 %
Discount rate	NM	6.6 %	NM	6.3 %
HECM buyouts - securitized (performing)				
WAL (in years)	NM	7.0	NM	6.9
CPR	NM	16.0 %	NM	16.3 %
Loss severity	5.6% - 15.5%	8.5 %	6.0% - 13.3%	8.4 %
Discount rate	NM	7.5 %	NM	7.3 %
HECM buyouts - securitized (nonperforming)				
WAL (in years)	NM	1.5	NM	1.5
CPR	NM	41.3 %	NM	41.5 %
Loss frequency	NM	47.0 %	NM	45.5 %
Loss severity	5.6% - 15.5%	6.3 %	6.0% - 13.3%	6.8 %
Discount rate	NM	7.5 %	NM	6.8 %
Loans held for investment:				
Non-agency reverse mortgage loans				
WAL (in years)	NM	11.6	NM	11.1
LTV	NM	37.9 %	NM	43.2 %
CPR	NM	15.0 %	NM	14.9 %
Loss severity	NM	10.0 %	NM	10.0 %

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Instrument / Unobservable Inputs	June 30, 2026		December 31, 2025	
	Range	Weighted Average	Range	Weighted Average
HPA	(2.9)% - 5.1%	3.6 %	(6.8)% - 5.3%	3.6 %
Discount rate	NM	6.6 %	NM	6.3 %
HECM buyouts (nonperforming)				
WAL (in years)	NM	1.4	NM	1.3
CPR	NM	44.4 %	NM	45.4 %
Loss frequency	NM	51.0 %	NM	42.3 %
Loss severity	5.6% - 15.5%	10.7 %	6.0% - 13.3%	11.2 %
Discount rate	NM	7.5 %	NM	6.8 %
Other assets:				
Retained bonds				
WAL (in years)	NM	4.7	NM	3.0
Discount rate	(1.5)% - 13.7%	7.6 %	(1.7)% - 15.3%	7.1 %
Liabilities				
HMBS related obligations				
WAL (in years)	NM	3.8	NM	3.9
CPR	NM	25.3 %	NM	24.8 %
Discount rate	NM	4.8 %	NM	4.6 %
Nonrecourse debt:				
Non-agency reverse mortgage loan securitizations				
WAL (in years)	0.1 - 11.1	7.4	0.1 - 10.5	6.4
CPR	NM	23.5 %	NM	21.8 %
Discount rate	NM	6.4 %	NM	6.0 %
Performing/nonperforming HECM securitizations				
WAL (in years)	1.9 - 2.1	2.0	NM	1.2
CPR	18.5% - 22.0%	20.2 %	NM	57.4 %
Discount rate	NM	5.5 %	NM	5.4 %
Deferred purchase price liabilities:				
TRA obligation				
Discount rate	NM	27.3 %	NM	26.6 %

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Fair Value of Assets and Liabilities

The following tables present assets and liabilities that are measured at fair value on a recurring basis (in thousands):

June 30, 2026				
	Total Fair Value	Level 1	Level 2	Level 3
Assets				
Loans held for investment, subject to HMBS related obligations	\$ 25,044,536	\$ —	\$ —	\$ 25,044,536
Loans held for investment, subject to nonrecourse debt	10,928,261	—	—	10,928,261
Loans held for investment	516,892	—	—	516,892
Other assets:				
Loans held for sale	155,523	—	1,838	153,685
Retained bonds	33,112	—	—	33,112
Total assets	\$ 36,678,324	\$ —	\$ 1,838	\$ 36,676,486
Liabilities				
HMBS related obligations	\$ 24,717,687	\$ —	\$ —	\$ 24,717,687
Nonrecourse debt	10,641,380	—	—	10,641,380
Convertible Notes	61,156	—	61,156	—
TRA obligation	4,221	—	—	4,221
Total liabilities	\$ 35,424,444	\$ —	\$ 61,156	\$ 35,363,288

December 31, 2025				
	Total Fair Value	Level 1	Level 2	Level 3
Assets				
Loans held for investment, subject to HMBS related obligations	\$ 19,135,403	\$ —	\$ —	\$ 19,135,403
Loans held for investment, subject to nonrecourse debt	10,026,177	—	—	10,026,177
Loans held for investment	870,081	—	—	870,081
Other assets:				
Loans held for sale	37,461	—	1,338	36,123
Retained bonds	38,685	—	—	38,685
Total assets	\$ 30,107,807	\$ —	\$ 1,338	\$ 30,106,469
Liabilities				
HMBS related obligations	\$ 18,912,226	\$ —	\$ —	\$ 18,912,226
Nonrecourse debt	9,736,493	—	—	9,736,493
Convertible Notes	53,800	—	53,800	—
Repurchase Agreement obligation	40,595	—	40,595	—
Deferred purchase price liabilities:				
AAG/Bloom	8,646	—	—	8,646
TRA obligation	3,901	—	—	3,901
Total liabilities	\$ 28,755,661	\$ —	\$ 94,395	\$ 28,661,266

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

The following tables present Level 3 assets and liabilities that are measured at fair value on a recurring basis (in thousands):

Assets				
	Loans held for investment	Loans held for investment, subject to nonrecourse debt	Loans held for sale	Retained bonds
Three months ended June 30, 2026				
Beginning balance	\$ 19,775,510	\$ 10,769,209	\$ 83,867	\$ 34,067
Total gain (loss) included in earnings	275,094	84,723	4,645	(127)
Purchases, settlements, and transfers:				
Purchases and additions	6,574,100	6,766	65,173	—
Sales and settlements	(628,129)	(373,532)	—	(828)
Transfers in (out) between categories	(435,147)	441,095	—	—
Ending balance	<u>\$ 25,561,428</u>	<u>\$ 10,928,261</u>	<u>\$ 153,685</u>	<u>\$ 33,112</u>

Liabilities			
	HMBS related obligations	Nonrecourse debt	Deferred purchase price liabilities
Three months ended June 30, 2026			
Beginning balance	\$ (19,087,650)	\$ (10,450,834)	\$ (4,524)
Total gain (loss) included in earnings	(202,301)	(76,649)	303
Purchases, settlements, and transfers:			
Purchases and additions	(6,068,917)	(1,064,398)	—
Settlements	641,181	950,501	—
Ending balance	<u>\$ (24,717,687)</u>	<u>\$ (10,641,380)</u>	<u>\$ (4,221)</u>

Assets				
	Loans held for investment	Loans held for investment, subject to nonrecourse debt	Loans held for sale	Retained bonds
Six months ended June 30, 2026				
Beginning balance	\$ 20,005,484	\$ 10,026,177	\$ 36,123	\$ 38,685
Total gain (loss) included in earnings	725,764	166,179	8,629	(325)
Purchases, settlements, and transfers:				
Purchases and additions	7,431,772	13,427	108,933	—
Sales and settlements	(1,213,709)	(671,614)	—	(1,487)
Transfers in (out) between categories	(1,387,883)	1,394,092	—	(3,761)
Ending balance	<u>\$ 25,561,428</u>	<u>\$ 10,928,261</u>	<u>\$ 153,685</u>	<u>\$ 33,112</u>

Liabilities			
	HMBS related obligations	Nonrecourse debt	Deferred purchase price liabilities
Six months ended June 30, 2026			
Beginning balance	\$ (18,912,226)	\$ (9,736,493)	\$ (12,547)
Total gain (loss) included in earnings	(529,470)	(145,513)	2,535
Purchases, settlements, and transfers:			
Purchases and additions	(6,566,489)	(2,759,190)	—
Settlements	1,290,498	1,996,055	5,791
Transfers out between categories	—	3,761	—
Ending balance	<u>\$ (24,717,687)</u>	<u>\$ (10,641,380)</u>	<u>\$ (4,221)</u>

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Assets				
Three months ended June 30, 2025	Loans held for investment	Loans held for investment, subject to nonrecourse debt	Loans held for sale	Retained bonds
Beginning balance	\$ 19,443,127	\$ 9,630,150	\$ —	\$ 40,334
Total gain included in earnings	324,063	314,315	—	223
Purchases, settlements, and transfers:				
Purchases and additions	844,057	5,821	—	—
Sales and settlements	(714,439)	(275,741)	—	(837)
Transfers in (out) between categories	(403,653)	213,947	180,899	—
Ending balance	<u>\$ 19,493,155</u>	<u>\$ 9,888,492</u>	<u>\$ 180,899</u>	<u>\$ 39,720</u>

Liabilities			
Three months ended June 30, 2025	HMBS related obligations	Nonrecourse debt	Deferred purchase price liabilities
Beginning balance	\$ (18,590,357)	\$ (9,163,399)	\$ (12,147)
Total loss included in earnings	(241,104)	(196,840)	(1,292)
Purchases, settlements, and transfers:			
Purchases and additions	(531,180)	(776,367)	—
Settlements	719,547	710,412	—
Ending balance	<u>\$ (18,643,094)</u>	<u>\$ (9,426,194)</u>	<u>\$ (13,439)</u>

Assets				
Six months ended June 30, 2025	Loans held for investment	Loans held for investment, subject to nonrecourse debt	Loans held for sale	Retained bonds
Beginning balance	\$ 19,190,065	\$ 9,288,403	\$ —	\$ 40,407
Total gain included in earnings	706,232	572,218	—	1,211
Purchases, settlements, and transfers:				
Purchases and additions	1,654,382	12,721	—	—
Sales and settlements	(1,334,971)	(518,298)	—	(1,898)
Transfers in (out) between categories	(722,553)	533,448	180,899	—
Ending balance	<u>\$ 19,493,155</u>	<u>\$ 9,888,492</u>	<u>\$ 180,899</u>	<u>\$ 39,720</u>

Liabilities			
Six months ended June 30, 2025	HMBS related obligations	Nonrecourse debt	Deferred purchase price liabilities
Beginning balance	\$ (18,444,370)	\$ (8,954,068)	\$ (16,684)
Total gain (loss) included in earnings	(536,786)	(349,749)	1,039
Purchases, settlements, and transfers:			
Purchases and additions	(997,188)	(1,557,268)	—
Settlements	1,335,250	1,434,891	2,206
Ending balance	<u>\$ (18,643,094)</u>	<u>\$ (9,426,194)</u>	<u>\$ (13,439)</u>

Fair Value Option

The Company has elected to measure its loans held for investment, loans held for sale, HMBS related obligations, nonrecourse debt, and Convertible Notes at fair value under the fair value option. The Company elected to apply the provisions of the fair value option to these assets and liabilities in order to align financial reporting presentation with

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

the Company's operational and risk management strategies. The following table presents the fair value and the unpaid principal balance ("UPB") of these financial assets and liabilities (in thousands):

	June 30, 2026		December 31, 2025	
	Fair Value	UPB	Fair Value	UPB
Assets				
Loans held for investment, subject to HMBS related obligations	\$ 25,044,536	\$ 23,375,525	\$ 19,135,403	\$ 17,983,144
Loans held for investment, subject to nonrecourse debt	10,928,261	10,546,878	10,026,177	9,567,732
Loans held for investment ⁽¹⁾	516,892	487,528	870,081	790,342
Other assets:				
Loans held for sale	155,523	144,955	37,461	34,515
Liabilities				
HMBS related obligations	24,717,687	23,375,525	18,912,226	17,983,144
Nonrecourse debt	10,641,380	10,995,493	9,736,493	9,960,524
Convertible Notes	61,156	40,000	53,800	40,000

⁽¹⁾ Loans held for investment include certain loans that were greater than 90 days past due and on non-accrual status. These loans had a fair value of \$4.5 million and a UPB of \$5.8 million as of June 30, 2026, compared to a fair value of \$6.1 million and a UPB of \$7.0 million as of December 31, 2025.

Fair Value of Other Financial Instruments

As of June 30, 2026 and December 31, 2025, all financial instruments were either recorded at fair value or the carrying value approximated fair value with the exception of certain notes payable. The fair value of our notes payable was determined using quoted market prices adjusted for accrued interest, which is considered to be a Level 2 input, or for notes payable with an original maturity of a year or less, the carrying value approximates fair value, which is determined using Level 2 inputs.

The following table presents the amortized cost and fair value of notes payable (in thousands):

	June 30, 2026		December 31, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Senior Secured Notes	\$ 133,805	\$ 150,329	\$ 126,089	\$ 149,620
Exchangeable Secured Notes	132,068	183,879	130,040	178,428
LFH Promissory Note	20,000	20,000	20,000	20,000
Total notes recorded at amortized cost	285,873	\$ 354,208	276,129	\$ 348,048
Convertible Notes, recorded at fair value	61,156		53,800	
Total notes payable	\$ 347,029		\$ 329,929	

For other financial instruments that were not recorded at fair value, such as cash and cash equivalents, including restricted cash, and other financing lines of credit, the carrying value approximates fair value due to the short-term nature of such instruments. The fair value of assets and liabilities whose carrying value approximates fair value is determined using Level 2 inputs, with the exception of cash and cash equivalents, including restricted cash, which are Level 1 inputs.

6. Reverse Mortgage Loan Portfolio

The following table presents the composition and the outstanding UPB of the reverse mortgage loan portfolio serviced by the Company (in thousands):

	June 30, 2026	December 31, 2025
Loans held for investment, subject to HMBS related obligations	\$ 23,375,525	\$ 17,983,144
Loans held for investment, subject to nonrecourse debt:		
Non-agency reverse mortgages	9,840,125	8,887,778
Performing HECM buyouts	260,878	251,051
Nonperforming HECM buyouts	445,875	428,903
Total loans held for investment, subject to nonrecourse debt	10,546,878	9,567,732
Loans held for investment:		
Non-agency reverse mortgages	216,079	614,515
HECM loans not securitized ⁽¹⁾	187,087	103,825
Unpoolable HECM loans ⁽²⁾	78,566	64,983
Total loans held for investment⁽³⁾	481,732	783,323
Other assets:		
Loans held for sale ⁽³⁾	142,633	32,761
Total owned loan portfolio	34,546,768	28,366,960
Loans reclassified as government guaranteed receivable	44,827	50,922
Loans serviced for others	511,539	590,192
Total serviced loan portfolio	\$ 35,103,134	\$ 29,008,074

⁽¹⁾ HECM loans not securitized primarily represent newly originated loans and poolable tails.

⁽²⁾ Unpoolable HECM loans primarily represent loans that have reached 98% of their maximum claim amount ("MCA").

⁽³⁾ As of June 30, 2026 and December 31, 2025, there was \$508.4 million and \$753.2 million, respectively, in UPB in loans pledged as collateral for financing lines of credit.

The following table presents our owned loan portfolio by mortgage rate type (in thousands):

	June 30, 2026	December 31, 2025
Adjustable rate loans	\$ 26,449,216	\$ 20,662,839
Fixed rate loans	8,097,552	7,704,121
Total owned loan portfolio	\$ 34,546,768	\$ 28,366,960

As of June 30, 2026 and December 31, 2025, there were \$699.7 million and \$550.4 million, respectively, of foreclosure proceedings in process, which are included in Loans held for investment, subject to HMBS related obligations, at fair value, Loans held for investment, subject to nonrecourse debt, at fair value, or Loans held for investment, at fair value, in the Condensed Consolidated Statements of Financial Condition, and \$10.3 million and \$8.9 million, respectively, of foreclosure proceedings in process, which are included in loans serviced for others in the table above.

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

7. Other Assets, Net

Other assets, net, consisted of the following (in thousands):

	June 30, 2026	December 31, 2025
Loans held for sale, at fair value (Note 5 - Fair Value)	\$ 155,523	\$ 37,461
Government guaranteed receivables	40,891	47,100
Deferred tax asset, net (Note 12 - Income Taxes)	35,441	—
Retained bonds, at fair value (Note 5 - Fair Value)	33,112	38,685
Right-of-use assets	15,758	17,566
Receivables, net of \$0 and \$8,264 allowance as of June 30, 2026 and December 31, 2025	15,287	26,425
Prepaid expenses	10,980	10,013
Fixed assets, net	5,682	4,422
Other	12,915	15,704
Total other assets, net	\$ 325,589	\$ 197,376

8. Nonrecourse Debt, at Fair Value

Nonrecourse debt, at fair value, consisted of the following (in thousands):

	Issue Date	Final Maturity Date ⁽¹⁾	Interest Rate	Original Issue Amount	June 30, 2026	December 31, 2025
Securitization of non-agency reverse mortgage loans	May 2018 - June 2026	December 2053 - June 2076	2.00% - 7.00%	\$ 11,954,210	\$ 10,241,816	\$ 8,834,991
Securitization of performing/nonperforming HECM loans	November 2025 - March 2026	November 2035 - March 2036	4.25% - 6.00%	839,600	753,677	749,110
Total consolidated VIE nonrecourse debt UPB					10,995,493	9,584,101
Nonrecourse loan financing liability ⁽²⁾					—	376,423
Fair value adjustments					(354,113)	(224,031)
Total nonrecourse debt, at fair value					\$ 10,641,380	\$ 9,736,493

⁽¹⁾ The Company's securitizations are generally callable at or following the optional redemption date as defined in each related indenture agreement.

⁽²⁾ Nonrecourse loan financing liability was comprised of nonrecourse debt associated with a securitization of non-agency reverse mortgage loans. As the securitization was determined to be an unconsolidated VIE and failed sale treatment, the associated nonrecourse debt was accounted for by the Company and presented separately from other nonrecourse debt. During the first quarter of 2026, the Company acquired certain beneficial interests and other rights in this previously unconsolidated VIE. As a result, the Company began consolidating the VIE upon acquisition of these interests. In addition, during the first quarter of 2026, the Company redeemed the outstanding securitized notes issued by this VIE. Refer to Note 4 - Variable Interest Entities and Securitizations for additional information.

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Future repayment of nonrecourse debt issued by securitization trusts is dependent on the receipt of cash flows from the corresponding encumbered loans receivable. As of June 30, 2026, estimated maturities for nonrecourse debt are as follows (in thousands):

<i>Year Ending December 31,</i>	Estimated Maturities
Remainder of 2026	\$ 1,709,694
2027	2,011,667
2028	912,706
2029	766,803
2030	537,929
Thereafter	5,056,694
Total payments on nonrecourse debt	\$ 10,995,493

9. Other Financing Lines of Credit

Other financing lines of credit consisted of the following (in thousands):

Maturity Date	Interest Rate	Collateral Pledged	Total Capacity ⁽¹⁾	Outstanding borrowings at	
				June 30, 2026	December 31, 2025
Reverse lines:					
August 2026 - June 2027	Secured Overnight Financing Rate (“SOFR”) + applicable margin	First and Second Lien Mortgages	\$ 1,005,000	\$ 507,940	\$ 737,435
Various ⁽²⁾	Bond accrual rate/SOFR + applicable margin	Mortgage Related Assets	460,610	434,110	335,443
October 2027	SOFR + applicable margin	HECM MSR	70,000	46,154	63,462
October 2026	SOFR + applicable margin	Unsecuritized Tails	90,000	36,646	20,269
Total reverse lines of credit			1,625,610	1,024,850	1,156,609
Mortgage line:					
Various ⁽²⁾	Bond accrual rate + applicable margin	Mortgage Related Assets	29,916	29,916	31,090
Total other financing lines of credit			\$ 1,655,526	\$ 1,054,766	\$ 1,187,699

⁽¹⁾ Capacity is dependent upon maintaining compliance with, or obtaining waivers of, the terms, conditions, and covenants of the respective agreements, including asset-eligibility requirements. Capacity amounts presented are as of June 30, 2026.

⁽²⁾ These lines of credit are generally tied to the maturity date of the underlying mortgage related assets that have been pledged as collateral.

As of June 30, 2026 and December 31, 2025, the weighted average interest rate on outstanding financing lines of credit was 7.48% and 8.18%, respectively.

The Company's financing arrangements and credit facilities contain various financial covenants, which primarily relate to required tangible net worth amounts, liquidity reserves, leverage ratios, and profitability. As of June 30, 2026, the Company was in compliance with the financial covenants.

The terms of the Company's financing arrangements and credit facilities contain covenants, and the terms of the Company's government sponsored entities ("GSE")/seller servicer contracts contain requirements that may restrict FOA Equity and its subsidiaries from paying distributions to its members. These restrictions include restrictions on paying distributions whenever the payment of such distributions would cause FOA Equity or its subsidiaries to no longer be in compliance with any of its financial covenants or GSE requirements. Further, FOA Equity is generally prohibited under Delaware law from making a distribution to a member to the extent that, at the time of the distribution, after giving effect to the distribution, liabilities of FOA Equity (with certain exceptions) exceed the fair value of its assets. Subsidiaries of FOA Equity are generally subject to similar legal limitations on their ability to make distributions to FOA Equity.

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

The maximum allowable distributions available to the Company are based on the most restrictive financial covenant ratios and are presented in the following tables (in thousands, except for ratios):

Financial Covenants	Requirement	June 30, 2026	Maximum Allowable Distribution
<u>FAH</u>			
Adjusted tangible net worth	\$ 250,000	\$ 528,597	\$ 278,597
Liquidity	54,159	63,595	9,436
Leverage ratio	6:1	2.7:1	294,006
<u>FAH</u>			
Adjusted tangible net worth	\$ 200,000	\$ 532,702	\$ 332,702
Liquidity	40,000	70,515	30,515
Leverage ratio	10:1	3.1:1	369,750

Financial Covenants	Requirement	December 31, 2025	Maximum Allowable Distribution
<u>FAH</u>			
Adjusted tangible net worth	\$ 250,000	\$ 569,044	\$ 319,044
Liquidity	42,412	64,688	22,276
Leverage ratio	6:1	2.7:1	315,994
<u>FAH</u>			
Adjusted tangible net worth	\$ 200,000	\$ 561,035	\$ 361,035
Liquidity	40,000	68,632	28,632
Leverage ratio	10:1	3.1:1	388,240

10. Litigation

The Company's business is subject to legal proceedings, examinations, investigations, and reviews by various federal, state, and local regulatory and enforcement agencies as well as private litigants such as the Company's borrowers or former employees. At any point in time, the Company may have open investigations with regulators or enforcement agencies, including examinations and inquiries related to its loan origination and servicing practices. These matters and other pending or potential future investigations, examinations, inquiries, or lawsuits may lead to administrative or legal proceedings, and possibly result in remedies, including fines, penalties, restitution, alterations in business practices, or additional expenses and collateral costs.

As a litigation or regulatory matter develops, the Company, in conjunction with any outside counsel handling the matter, evaluates on an ongoing basis whether such matter presents a loss contingency that is probable and reasonably estimable. If, at the time of evaluation, the loss contingency is not both probable and reasonably estimable, the matter will continue to be monitored for further developments that would make such loss contingency both probable and reasonably estimable. Once the matter is deemed to be both probable and reasonably estimable, the Company establishes an accrued liability and records a corresponding amount to litigation related expense. The Company will continue to monitor the matter for further developments that could affect the amount of the accrued liability that has been previously established. For certain matters, the Company may determine that a loss is not probable but is reasonably possible or may consider a loss to be probable but cannot calculate a precise estimate of losses. For these matters, the Company may be able to estimate a range of possible loss. In determining whether it is possible to provide an estimate of loss or range of possible loss, the Company reviews and evaluates its material litigation and regulatory matters on an ongoing basis, in conjunction with any outside counsel handling the matter. Based on our assessment of the facts and circumstances, we do not believe any of these matters, individually or in the aggregate, will have a material adverse effect on our financial position, results of operations, or cash flows in a future period.

The Company is a defendant in a representative lawsuit alleging violations of the California Labor Code and brought pursuant to the California Private Attorneys General Act ("PAGA"). The Company has settled the individual arbitration claim for a de minimis amount and is defending the representative PAGA claim. Due to the unpredictable

nature of litigation generally, and the wide discretion afforded the Court in awarding civil penalties in PAGA actions, the outcome of this matter cannot be presently determined, and a range of possible losses cannot be reasonably estimated. Although this action is being vigorously defended, the Company could, in the future, incur a judgment or enter into a settlement that could have a negative effect on its results of operations in any particular period.

Legal expenses, which include, among other things, settlements and the fees paid to external legal service providers, were \$1.4 million and \$2.3 million for the three and six months ended June 30, 2026, respectively, and \$0.8 million and \$1.1 million for the three and six months ended June 30, 2025, respectively. These expenses are included in General and administrative expenses in the Condensed Consolidated Statements of Operations.

11. Commitments and Contingencies

Servicing of Mortgage Loans

The Company has contracted with third-party providers to perform specified servicing functions on its behalf. These services include maintaining borrower contact, facilitating borrower advances, generating borrower statements, collecting and processing payments of interest and principal, and facilitating loss-mitigation strategies in an attempt to keep defaulted borrowers in their homes. The contracts are generally fixed-term arrangements, with standard notification and transition terms governing termination of such contracts.

For reverse mortgages, defaults on loans leading to foreclosures may occur if borrowers fail to meet maintenance obligations, such as payment of taxes or home insurance premiums. When a default cannot be cured, the sub-servicers manage the foreclosure process and the filing of any insurance claims with HUD. The sub-servicers have responsibility for remitting timely advances and statements to borrowers and timely and accurate claims to HUD, including compliance with local, state, and federal regulatory requirements. Although the Company has outsourced its servicing function, as the issuer, the Company has responsibility for all aspects of servicing of the HECM loans and related HMBS beneficial interests under the terms of the servicing contracts, state laws, and regulations.

Additionally, the sub-servicers are responsible for remitting payments to investors, including interest accrued, interest shortfalls, and funding advances such as taxes and home insurance premiums. Advances are typically remitted by the Company to the sub-servicers on a daily basis.

Contractual sub-servicing fees related to sub-servicer arrangements are generally based on a fixed dollar amount per loan and are included in Loan servicing expenses in the Condensed Consolidated Statements of Operations.

Unfunded Commitments

The Company is required to fund further borrower advances (where the borrower has not fully drawn down the HECM or non-agency reverse mortgage loan proceeds available) and fund the payment of the borrower's obligation to pay FHA monthly insurance premiums for HECM loans.

The outstanding unfunded commitments available to borrowers related to agency and non-agency reverse mortgage loans were \$5.5 billion and \$4.4 billion as of June 30, 2026 and December 31, 2025, respectively. This additional borrowing capacity is primarily in the form of undrawn lines of credit.

The Company also has commitments to purchase loans totaling \$1.2 million and \$0.8 million as of June 30, 2026 and December 31, 2025, respectively.

Mandatory Repurchase Obligation

The Company is required to repurchase reverse mortgage loans out of the Ginnie Mae securitization pools once the outstanding principal balance of the related HECM loan is equal to or greater than 98% of the MCA. Performing repurchased loans are typically conveyed to HUD and nonperforming repurchased loans are generally liquidated in accordance with program requirements. Loans are considered nonperforming upon events including, but not limited to, the death of the mortgagor, the mortgagor no longer occupying the property as their principal residence, or the property taxes or insurance are not being paid.

As an issuer of HMBS, the Company also has the option to repurchase reverse mortgage loans out of the Ginnie Mae securitization pools without prior approval from Ginnie Mae in certain instances. These situations include: the borrower requesting an additional advance that causes the outstanding principal balance to be equal to or greater than 98% of the MCA; the borrower's loan becoming due and payable under certain circumstances; the borrower not

occupying the home for greater than twelve consecutive months for physical or mental illness, and the home is not the residence of another borrower; or the borrower failing to perform in accordance with the terms of the loan.

For each HECM loan that the Company securitizes into agency HMBS, the Company is required to covenant and warrant to Ginnie Mae, among other things, that the HECM loans related to each participation included in the agency HMBS are eligible under the requirements of the National Housing Act and the Ginnie Mae MBS Guide, and that the Company will take all actions necessary to ensure the HECM loan's continued eligibility. The Ginnie Mae HMBS program requires that the Company removes the participation related to any HECM loan that does not meet the requirements of the Ginnie Mae MBS Guide. In addition to securitizing HECM loans into agency HMBS, the Company may sell HECM loans to third parties, and the agreements with such third parties include standard representations and warranties related to such loans, which if breached, may require the Company to repurchase the HECM loan and/or indemnify the purchaser for losses related to such HECM loans. In the case where the Company repurchases the loan, the Company bears any subsequent credit loss on the loan. To the extent that the Company is required to remove a loan from an agency HMBS, purchase a loan from a third-party, or indemnify a third-party, the potential losses suffered by the Company may be reduced by any recourse the Company has to the originating broker and/or correspondent lender, if applicable, to the extent such entity breached similar or other representations and warranties. Under most circumstances, the Company has the right to require the originating broker/correspondent lender to repurchase the related loan from the Company and/or indemnify the Company for losses incurred. The Company seeks to manage the risk of repurchase and associated credit exposure through the Company's underwriting and quality assurance practices.

12. Income Taxes

The Company's effective tax rate on continuing operations for the three and six months ended June 30, 2026 differed from the U.S. federal statutory rate primarily due to the release of valuation allowances against deferred tax assets, including net operating loss ("NOL") carryforwards and other deferred tax assets, and the projected mix of earnings and losses attributable to the noncontrolling interest.

The Company's effective tax rate on continuing operations for the three and six months ended June 30, 2025 differed from the U.S. federal statutory rate primarily due to the projected mix of earnings and losses attributable to the noncontrolling interest and the changes in valuation allowances previously recorded against deferred tax assets, including NOL carryforwards and other deferred tax assets.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying value of assets and liabilities for financial reporting purposes and the amounts reported for income tax purposes. The Company recognizes deferred tax assets and liabilities for the expected future tax consequences attributable to those temporary differences and the expected benefits of net operating losses and carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

A valuation allowance is provided when it is more likely than not that some or all of a deferred tax asset will not be realized. In making such a determination, the Company considers all available positive and negative evidence, with greater weight given to objectively verifiable evidence. Such evidence includes recent results of operations, future reversals of existing taxable temporary differences, projected future taxable income, and tax planning strategies. As of June 30, 2026, the Company had generated cumulative income over the most recent three-year period. Based on our evaluation of all available positive and negative evidence, including the Company's cumulative income over the most recent three-year period, which represents objectively verifiable positive evidence, the Company concluded that it is more likely than not that substantially all of its deferred tax assets will be realized. Accordingly, the Company released \$33.8 million of its valuation allowance during the three and six months ended June 30, 2026, which was recognized as a discrete income tax benefit.

Tax positions taken in tax years that remain open under the statute of limitations will be subject to examinations by tax authorities. With few exceptions, the Company is no longer subject to state or local examinations by tax authorities for tax years ended December 31, 2021 or prior.

Tax Receivable Agreement

The Company entered into a TRA with certain owners of FOA Equity. Initial obligations under the TRA were measured at fair value and are subsequently remeasured at fair value each reporting period. Refer to Note 5 - Fair Value for additional information.

The Company also records obligations under the TRA resulting from applicable future exchanges of Class A LLC units of FOA Equity ("Class A LLC Units") as they occur at the gross undiscounted amount of the expected future payments, with an increase to the TRA liability and the related deferred tax asset and valuation allowance (if any), and an offset to additional paid-in capital. If the Company determines that it is no longer probable that a related contingent payment will be required based on expected future cash flows, the related liability is reversed through earnings, and no additional liabilities are recorded until such payments become probable.

In a prior year, the Company determined that the contingent liability portion of the TRA obligation was no longer probable, consistent with the Company's determination that a full valuation allowance was required against the deferred tax assets. Accordingly, the Company reversed the previously recognized contingent TRA liability through Other, net, in the Condensed Consolidated Statements of Operations.

As a result of the Company's release of the valuation allowance against the related deferred tax assets during the three and six months ended June 30, 2026, the Company concluded that future payments related to the contingent portion of the TRA had become probable and, accordingly, reestablished the previously reversed contingent TRA liability of \$6.6 million through Other, net, in the Condensed Consolidated Statements of Operations. In addition, for applicable exchanges of Class A LLC Units that occurred after the contingent TRA liability was reversed in a prior year, the Company recorded additional TRA obligations of \$1.8 million at the gross undiscounted amount of the expected future payments, with increases to the TRA liability and related deferred tax assets and offsets to additional paid-in capital.

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

13. Business Segment Reporting

The following tables present financial information by segment (in thousands):

For the three months ended June 30, 2026					
	Retirement Solutions	Portfolio Management	Total Reportable Segments	Corporate and Other	Total
Portfolio interest income					
Interest income	\$ —	\$ 490,075	\$ 490,075	\$ —	\$ 490,075
Interest expense	—	(435,160)	(435,160)	—	(435,160)
Net portfolio interest income	—	54,915	54,915	—	54,915
Other income (expense)					
Net origination gains	66,576	—	66,576	—	66,576
Gains on securitization of HECM tails, net	—	13,620	13,620	—	13,620
Fair value changes from model amortization	—	(36,199)	(36,199)	—	(36,199)
Fair value changes from market inputs or model assumptions	—	(31,543)	(31,543)	—	(31,543)
Net fair value changes on loans and related obligations	66,576	(54,122)	12,454	—	12,454
Fee income	7,273	304	7,577	(123)	7,454
Non-funding interest expense, net	—	—	—	(12,342)	(12,342)
Net other income (expense)	73,849	(53,818)	20,031	(12,465)	7,566
Total revenues	73,849	1,097	74,946	(12,465)	62,481
Expenses					
Salaries, benefits, and related expenses	28,380	4,300	32,680	9,587	42,267
Loan production and portfolio related expenses	2,905	12,129	15,034	—	15,034
Loan servicing expenses	—	7,743	7,743	—	7,743
Marketing and advertising expenses	17,188	—	17,188	26	17,214
Amortization and depreciation	9,409	5	9,414	515	9,929
General and administrative expenses	5,787	3,206	8,993	4,909	13,902
Total expenses	63,669	27,383	91,052	15,037	106,089
Other, net	—	—	—	(27,448)	(27,448)
Net income (loss) before taxes	<u>\$ 10,180</u>	<u>\$ (26,286)</u>	<u>\$ (16,106)</u>	<u>\$ (54,950)</u>	<u>\$ (71,056)</u>

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

For the three months ended June 30, 2025					
	Retirement Solutions	Portfolio Management	Total Reportable Segments	Corporate and Other	Total
Portfolio interest income					
Interest income	\$ —	\$ 481,800	\$ 481,800	\$ —	\$ 481,800
Interest expense	—	(422,336)	(422,336)	—	(422,336)
Net portfolio interest income	—	59,464	59,464	—	59,464
Other income (expense)					
Net origination gains	56,058	—	56,058	—	56,058
Gains on securitization of HECM tails, net	—	10,855	10,855	—	10,855
Fair value changes from model amortization	—	(35,456)	(35,456)	—	(35,456)
Fair value changes from market inputs or model assumptions	—	94,939	94,939	—	94,939
Net fair value changes on loans and related obligations	56,058	70,338	126,396	—	126,396
Fee income	6,289	573	6,862	(123)	6,739
Non-funding interest expense, net	—	—	—	(15,223)	(15,223)
Net other income (expense)	62,347	70,911	133,258	(15,346)	117,912
Total revenues	62,347	130,375	192,722	(15,346)	177,376
Expenses					
Salaries, benefits, and related expenses	23,353	3,725	27,078	9,896	36,974
Loan production and portfolio related expenses	1,251	8,211	9,462	—	9,462
Loan servicing expenses	—	7,525	7,525	—	7,525
Marketing and advertising expenses	12,257	—	12,257	8	12,265
Amortization and depreciation	9,327	16	9,343	311	9,654
General and administrative expenses	5,786	2,794	8,580	4,600	13,180
Total expenses	51,974	22,271	74,245	14,815	89,060
Other, net	—	—	—	(6,361)	(6,361)
Net income (loss) before taxes	\$ 10,373	\$ 108,104	\$ 118,477	\$ (36,522)	\$ 81,955

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

For the six months ended June 30, 2026					
	Retirement Solutions	Portfolio Management	Total Reportable Segments	Corporate and Other	Total
Portfolio interest income					
Interest income	\$ —	\$ 957,678	\$ 957,678	\$ —	\$ 957,678
Interest expense	—	(836,493)	(836,493)	—	(836,493)
Net portfolio interest income	—	121,185	121,185	—	121,185
Other income (expense)					
Net origination gains	127,463	—	127,463	—	127,463
Gains on securitization of HECM tails, net	—	25,287	25,287	—	25,287
Fair value changes from model amortization	—	(68,219)	(68,219)	—	(68,219)
Fair value changes from market inputs or model assumptions	—	(11,619)	(11,619)	—	(11,619)
Net fair value changes on loans and related obligations	127,463	(54,551)	72,912	—	72,912
Fee income	13,015	797	13,812	(246)	13,566
Non-funding interest expense, net	—	—	—	(25,040)	(25,040)
Net other income (expense)	140,478	(53,754)	86,724	(25,286)	61,438
Total revenues	140,478	67,431	207,909	(25,286)	182,623
Expenses					
Salaries, benefits, and related expenses	54,093	8,598	62,691	22,180	84,871
Loan production and portfolio related expenses	4,839	27,861	32,700	—	32,700
Loan servicing expenses	—	15,189	15,189	—	15,189
Marketing and advertising expenses	30,527	—	30,527	26	30,553
Amortization and depreciation	18,818	10	18,828	953	19,781
General and administrative expenses	12,108	5,672	17,780	10,581	28,361
Total expenses	120,385	57,330	177,715	33,740	211,455
Other, net	—	—	—	(5,967)	(5,967)
Net income (loss) before taxes	\$ 20,093	\$ 10,101	\$ 30,194	\$ (64,993)	\$ (34,799)

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

For the six months ended June 30, 2025					
	Retirement Solutions	Portfolio Management	Total Reportable Segments	Corporate and Other	Total
Portfolio interest income					
Interest income	\$ —	\$ 962,402	\$ 962,402	\$ —	\$ 962,402
Interest expense	—	(832,503)	(832,503)	—	(832,503)
Net portfolio interest income	—	129,899	129,899	—	129,899
Other income (expense)					
Net origination gains	102,096	—	102,096	—	102,096
Gains on securitization of HECM tails, net	—	21,336	21,336	—	21,336
Fair value changes from model amortization	—	(76,412)	(76,412)	—	(76,412)
Fair value changes from market inputs or model assumptions	—	183,202	183,202	—	183,202
Net fair value changes on loans and related obligations	102,096	128,126	230,222	—	230,222
Fee income	11,972	1,359	13,331	(246)	13,085
Non-funding interest expense, net	—	—	—	(30,135)	(30,135)
Net other income (expense)	114,068	129,485	243,553	(30,381)	213,172
Total revenues	114,068	259,384	373,452	(30,381)	343,071
Expenses					
Salaries, benefits, and related expenses	45,205	7,357	52,562	18,342	70,904
Loan production and portfolio related expenses	2,777	18,015	20,792	—	20,792
Loan servicing expenses	—	15,266	15,266	—	15,266
Marketing and advertising expenses	22,987	—	22,987	9	22,996
Amortization and depreciation	18,657	34	18,691	621	19,312
General and administrative expenses	10,810	5,330	16,140	10,019	26,159
Total expenses	100,436	46,002	146,438	28,991	175,429
Other, net	—	—	—	(3,994)	(3,994)
Net income (loss) before taxes	\$ 13,632	\$ 213,382	\$ 227,014	\$ (63,366)	\$ 163,648

The following table presents total assets by segment (in thousands):

	June 30, 2026	December 31, 2025
Retirement Solutions	\$ 162,013	\$ 214,601
Portfolio Management	37,042,161	30,458,518
Total reportable segments	37,204,174	30,673,119
Corporate and Other	112,589	60,179
Total assets	\$ 37,316,763	\$ 30,733,298

The Company has identified two reportable segments: Retirement Solutions and Portfolio Management. The Chief Operating Decision Maker (“CODM”) are certain officers of the Company, which include the Chief Executive Officer, Chief Financial Officer, and Chief Investment Officer. The CODM evaluates the performance of the Company’s segments based on net income (loss) before taxes. The CODM uses this reported measure along with periodic reviews of results and overall market activity to allocate resources to segments in the planning and forecasting process.

Retirement Solutions

Our Retirement Solutions segment conducts all of our Company's loan origination activity, including the origination and acquisition of HECM loans and non-agency reverse mortgage loans through both the retail and third-party originator channels. The Retirement Solutions segment generates revenue from fees earned at the time of loan origination as well as from the initial estimate of net origination gains, with all originated loans accounted for at fair value. Once originated, the loans are transferred to our Portfolio Management segment, and any future fair value adjustments, including interest earned, on these originated loans are reflected in the revenues of our Portfolio Management segment until final disposition.

Portfolio Management

Our Portfolio Management segment provides product development, loan securitization, loan sales, risk management, servicing oversight, and asset management services to the Company. Our Portfolio Management team acts as the connector between borrowers and investors. The direct connections to investors, provided primarily by our Financial Industry Regulatory Authority ("FINRA") registered broker-dealer, allow us to innovate and manage risk through better price and product discovery. Given our scale, we are able to work directly with investors and, where appropriate, retain assets on the balance sheet for attractive return opportunities. These retained investments are a source of growing and recurring interest and other servicing-related income. The Portfolio Management segment primarily generates revenue from the net interest income and fair value changes on portfolio assets, monetized through securitization, sale, or other financing of those assets.

Corporate and Other

Corporate and Other consists of our corporate services groups that support the operations of the Company, as well as certain inter-segment revenues and expenses that are eliminated in the condensed consolidated financial statements.

The Company's segments are based upon the Company's organizational structure which focuses primarily on the services offered. Corporate functional expenses are allocated to individual segments based on actual cost of services performed based on a direct resource utilization, estimate of percentage use for shared services, or headcount percentage for certain functions. Non-allocated corporate expenses include administrative costs of executive management and other corporate functions that are not directly attributable to the Company's reportable segments. Revenues generated on inter-segment services performed are valued based on similar services provided to external parties.

14. Liquidity and Capital Requirements

Compliance Requirements

FAR

As an issuer of HMBS, FAR is subject to minimum net worth, liquidity, and leverage requirements as well as minimum insurance coverage established by Ginnie Mae.

The minimum net worth required is \$5.0 million plus 1% of FAR's outstanding HMBS and unused commitment authority from Ginnie Mae. The liquidity requirement is for 20% of FAR's required net worth to be in the form of cash or cash equivalent assets. The leverage requirement is to maintain a ratio of net worth to total assets of at least 6%.

As of June 30, 2026, FAR was in compliance with the minimum net worth, liquidity, capitalization levels, and insurance requirements of Ginnie Mae. The minimum net worth required of FAR by Ginnie Mae was \$246.2 million as of June 30, 2026. FAR's actual net worth calculated based on Ginnie Mae guidance was \$526.6 million as of June 30, 2026. The minimum liquidity required of FAR by Ginnie Mae was \$49.2 million as of June 30, 2026. FAR's actual cash and cash equivalents were \$63.6 million as of June 30, 2026. FAR's actual ratio of net worth to total assets was below the Ginnie Mae requirement due to the Company's determination that HECM loans transferred into HMBS as well as its HECM buyout and non-agency reverse mortgage loan securitizations do not meet the requirements of sale accounting and are not derecognized upon date of transfer. Based on this, FAR requested and received a waiver for the minimum outstanding capital requirements from Ginnie Mae. Therefore, FAR was in compliance with all Ginnie Mae requirements.

In addition, FAR is required to maintain both fidelity bond and errors and omissions insurance coverage at tiered levels based on the aggregate UPB of the loans serviced by FAR throughout the year. FAR is required to conduct

compliance testing at least quarterly to ensure compliance with the foregoing requirements. As of June 30, 2026, FAR was in compliance with applicable requirements.

FOA Securities

Finance of America Securities LLC (“FOA Securities”), one of the operating service subsidiaries of Incenter, operates in a highly regulated environment and is subject to federal and state laws, SEC rules, and FINRA rules and guidance. Applicable laws and regulations restrict permissible activities and require compliance with a wide range of financial and customer-related protections. The consequences of noncompliance can include substantial monetary and nonmonetary sanctions. In addition, FOA Securities is subject to comprehensive examination by its regulators. These regulators have broad discretion to impose restrictions and limitations on the operations of the Company and to impose sanctions for noncompliance. FOA Securities is subject to the SEC’s Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital. FOA Securities computes net capital under the alternative method. Under this method, the required minimum net capital is \$250 thousand. As of June 30, 2026, FOA Securities was in compliance with the minimum net capital requirement.

Additionally, FOA Securities claims the exemption provision of Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 because FOA Securities’ other business activities are limited to (1) proprietary trading; (2) receiving transaction-based compensation for referring securities transactions to other broker-dealers; and (3) participating in distributions of securities (other than firm commitment underwritings) in accordance with the requirements of paragraphs (a) or (b)(2) of Rule 15c2-4.

15. Related Party Transactions

Promissory Notes

On August 4, 2025, FAR entered into an unsecured working capital promissory note with Libman Family Holdings, LLC (the “LFH Promissory Note”), an affiliate of the Company, which provides for an uncommitted revolving facility of up to \$20.0 million. The LFH Promissory Note accrues interest at a rate of 10% per annum and matures on August 4, 2026. The LFH Promissory Note had an outstanding amount of \$20.0 million as of both June 30, 2026 and December 31, 2025, recorded in Notes payable in the Condensed Consolidated Statements of Financial Condition. The Company paid \$0.4 million and \$0.9 million of interest related to the LFH Promissory Note during the three and six months ended June 30, 2026, respectively. The LFH Promissory Note was amended and restated subsequent to June 30, 2026 to extend its maturity date to August 4, 2027. Refer to Note 17 - Subsequent Events for additional information.

Additionally, on August 4, 2025, the Company repaid and terminated its two outstanding working capital promissory notes with Libman Family Holdings, LLC (“LFH”) and BTO Urban Holdings L.L.C., which was an affiliate of the Company. For the three and six months ended June 30, 2025, the Company paid \$2.1 million and \$4.5 million, respectively, of interest related to these promissory notes.

Secured Notes

The Company had \$67.1 million of secured notes payable to LFH as of both June 30, 2026 and December 31, 2025, recorded in Notes payable in the Condensed Consolidated Statements of Financial Condition. The Company paid \$3.2 million of interest to LFH related to the secured notes during the three and six months ended June 30, 2026, compared to \$3.4 million during the three and six months ended June 30, 2025.

Repurchase Agreement

On August 4, 2025, the Company entered into a repurchase agreement (the “Repurchase Agreement”) with FOA Equity, Blackstone Tactical Opportunities Associates - NQ L.L.C., BTO Urban Holdings L.L.C., Blackstone Family Tactical Opportunities Investment Partnership - NQ ESC L.P., and BTO Urban Holdings II L.P. (collectively, the “Blackstone Investor”), which were deemed affiliates of the Company. Pursuant to the Repurchase Agreement, the Company agreed to purchase (the “Repurchase”) all of the Blackstone Investor’s shares of Class A Common Stock of the Company, Class B Common Stock of the Company (the “Class B Common Stock”), Class A LLC Units, and rights to receive shares of Class A Common Stock and Class A LLC Units pursuant to the Transaction Agreement, dated as of October 12, 2020 (the “Earnout Rights” and, together with such shares of Class A Common Stock, shares of Class B Common Stock, and Class A LLC Units, the “Sold Equity”), and the Tax Receivable Agreement, dated April 1, 2021 (the “Blackstone Tax Receivable Agreement”), between the Company and the Blackstone Investor was to be terminated. Each share of Class A Common Stock and each Class A LLC Unit was to be purchased for

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

\$10.00 per share or Class A LLC Unit, and the shares of Class B Common Stock and Earnout Rights were to be purchased for no additional consideration, for total consideration of \$80,298,170.

On November 13, 2025, the Company entered into an amended and restated version of the Repurchase Agreement with FOA Equity and the Blackstone Investor (the “Amended and Restated Repurchase Agreement”). Pursuant to the Amended and Restated Repurchase Agreement, the Repurchase was completed in two closings on December 4, 2025 and February 27, 2026, with the price for the Class A Common Stock and Class A LLC Units purchased at the second closing increased by a fixed rate per annum equal to 15.00% accruing monthly from the date of the first closing. The Company repurchased the Sold Equity from the Blackstone Investor for total consideration of \$81.7 million, reflecting the contractual increase in consideration applicable to the second closing. In connection with the closings, the repurchased Class A Common Stock and Class B Common Stock were retired, the Blackstone Tax Receivable Agreement was terminated, and the Blackstone Investor was no longer a related party of the Company.

16. Earnings (Loss) Per Share

The following tables reconcile the numerators and denominators used in the computations of both basic and diluted earnings (loss) per share (in thousands, except share data):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Basic earnings (loss) per share:				
Numerator				
Net income (loss) from continuing operations	\$ (28,852)	\$ 79,823	\$ 6,312	\$ 159,573
Less: Net income (loss) from continuing operations attributable to noncontrolling interest ⁽¹⁾	(30,904)	44,900	(13,247)	92,413
Less: Preferred Stock dividends ⁽²⁾	1,125	—	2,250	—
Net income from continuing operations attributable to holders of Class A Common Stock - basic	<u>\$ 927</u>	<u>\$ 34,923</u>	<u>\$ 17,309</u>	<u>\$ 67,160</u>
Net loss from discontinued operations	\$ —	\$ —	\$ —	\$ (4,750)
Less: Net loss from discontinued operations attributable to noncontrolling interest ⁽¹⁾	—	—	—	(2,722)
Net loss from discontinued operations attributable to holders of Class A Common Stock - basic	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (2,028)</u>
Denominator				
Weighted average shares of Class A Common Stock outstanding - basic	8,911,666	11,041,337	8,707,450	10,611,689
Basic earnings (loss) per share				
Continuing operations	\$ 0.10	\$ 3.16	\$ 1.99	\$ 6.33
Discontinued operations	—	—	—	(0.19)
Basic earnings per share	<u>\$ 0.10</u>	<u>\$ 3.16</u>	<u>\$ 1.99</u>	<u>\$ 6.14</u>

⁽¹⁾ The Class A LLC Units, held by certain unitholders (the “Equity Capital Unitholders”), comprise the noncontrolling interest in the Company. Therefore, the numerator was adjusted to reduce net income (loss) by the amount of net income (loss) attributable to noncontrolling interest.

Additionally, the Class B Common Stock does not participate in the earnings or losses of the Company and, therefore, is not a participating security. The Class B Common Stock has not been included in either the basic or diluted earnings (loss) per share calculations.

⁽²⁾ The numerator for continuing operations was adjusted to reduce net income (loss) by the Preferred Stock dividends. The Preferred Stock does not participate in the earnings or losses of the Company and, therefore, is not a participating security.

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Diluted earnings (loss) per share:				
Numerator				
Net income from continuing operations attributable to holders of Class A Common Stock - basic	\$ 927	\$ 34,923	\$ 17,309	\$ 67,160
Reallocation of net income (loss) from continuing operations assuming exchange or conversion of Class A LLC Units, Exchangeable Secured Notes, Convertible Notes, and Preferred Stock ⁽¹⁾	(22,611)	28,062	(12,235)	70,770
Exchangeable Secured Notes interest expense, net ⁽²⁾	—	1,220	4,207	3,511
Convertible Notes fair value adjustment, net ⁽³⁾	—	—	—	—
Preferred Stock dividends ⁽⁴⁾	—	—	—	—
Net income (loss) from continuing operations attributable to holders of Class A Common Stock - diluted	\$ (21,684)	\$ 64,205	\$ 9,281	\$ 141,441
Net loss from discontinued operations attributable to holders of Class A Common Stock - basic	\$ —	\$ —	\$ —	\$ (2,028)
Reallocation of net loss from discontinued operations assuming exchange of Class A LLC Units ⁽¹⁾	—	—	—	(1,995)
Net loss from discontinued operations attributable to holders of Class A Common Stock - diluted	\$ —	\$ —	\$ —	\$ (4,023)
Denominator				
Weighted average shares of Class A Common Stock outstanding - basic	8,911,666	11,041,337	8,707,450	10,611,689
Effect of dilutive securities:				
Assumed exchange of weighted average Class A LLC Units for shares of Class A Common Stock ⁽⁵⁾	8,088,934	13,219,364	7,938,475	13,434,386
Assumed exchange of Exchangeable Secured Notes for shares of Class A Common Stock ⁽²⁾	—	5,337,928	5,337,928	5,337,928
Assumed conversion of Convertible Notes for shares of Class A Common Stock ⁽³⁾	—	—	—	—
Assumed conversion of Preferred Stock for shares of Class A Common Stock ⁽⁴⁾	—	—	—	—
Additional dilutive shares under the treasury stock method ⁽⁶⁾	—	538,618	515,321	768,051
Weighted average shares of Class A Common Stock outstanding - diluted	17,000,600	30,137,247	22,499,174	30,152,054
Diluted earnings (loss) per share				
Continuing operations	\$ (1.28)	\$ 2.13	\$ 0.41	\$ 4.69
Discontinued operations	—	—	—	(0.13)
Diluted earnings (loss) per share	\$ (1.28)	\$ 2.13	\$ 0.41	\$ 4.56

⁽¹⁾ For the three and six months ended June 30, 2026 and 2025, this adjustment assumes the reallocation of noncontrolling interest income (loss), on an after-tax basis, resulting from the assumed exchange or conversion, if dilutive, of all outstanding Class A LLC Units, Exchangeable Secured Notes, Convertible Notes, and Preferred Stock into shares of Class A Common Stock of FOA as of the beginning of each respective period. The adjustment is calculated using the if-converted method for diluted earnings (loss) per share.

The assumed exchange of all Class A LLC Units outstanding for shares of Class A Common Stock was dilutive for the three and six months ended June 30, 2026 and 2025. Accordingly, reallocation adjustments of \$(22.6) million and \$(9.9) million to net income from continuing operations attributable to the controlling interest were included in the numerator of diluted

Finance of America Companies Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

earnings (loss) per share for the three and six months ended June 30, 2026, respectively, compared to \$23.8 million and \$58.5 million for the three and six months ended June 30, 2025, respectively.

The assumed exchange of all Exchangeable Secured Notes outstanding for shares of Class A Common Stock was anti-dilutive for the three months ended June 30, 2026, but was dilutive for the six months ended June 30, 2026 and the three and six months ended June 30, 2025. Accordingly, the reallocation adjustment of \$(5.4) million to net income from continuing operations attributable to the controlling interest was excluded from the numerator of diluted loss per share for the three months ended June 30, 2026. The reallocation adjustment of \$(2.3) million was included in the numerator of diluted earnings per share for the six months ended June 30, 2026. Reallocation adjustments of \$4.3 million and \$12.3 million were included in the numerator of diluted earnings per share for the three and six months ended June 30, 2025, respectively.

The assumed conversion of all Convertible Notes outstanding for shares of Class A Common Stock was anti-dilutive for the three and six months ended June 30, 2026. Accordingly, reallocation adjustments of \$(2.6) million and \$(1.1) million to net income from continuing operations attributable to the controlling interest were excluded from the numerator of diluted earnings (loss) per share for the three and six months ended June 30, 2026, respectively.

The assumed conversion of all Preferred Stock outstanding for shares of Class A Common Stock was anti-dilutive for the three and six months ended June 30, 2026. Accordingly, reallocation adjustments of \$(1.8) million and \$(0.8) million to net income from continuing operations attributable to the controlling interest were excluded from the numerator of diluted earnings (loss) per share for the three and six months ended June 30, 2026, respectively.

⁽²⁾ As the Exchangeable Secured Notes are participating securities, the Company calculates diluted earnings (loss) per share assuming their exchange for shares of Class A Common Stock of FOA using the more dilutive of either the if-converted method or the two-class method. If dilutive, interest expense attributable to the controlling interest related to the Exchangeable Secured Notes, including amortization of debt discount and issuance costs, and net of income tax effects, is added back to the numerator of diluted earnings (loss) per share from continuing operations.

The Company, in its discretion, may elect to settle any exchange of the Exchangeable Secured Notes, in part or in whole, by delivering the cash value of the shares of Class A Common Stock otherwise deliverable upon such exchange. If dilutive, the denominator of diluted earnings (loss) per share assumes that all Exchangeable Secured Notes were converted into Class A Common Stock of FOA at the beginning of the reporting period.

The Company had 5,337,928 potentially dilutive shares related to the Exchangeable Secured Notes for each of the three and six months ended June 30, 2026 and 2025. The potentially dilutive shares related to the Exchangeable Secured Notes were anti-dilutive for the three months ended June 30, 2026 and were excluded from the computation of diluted loss per share. Accordingly, \$2.2 million of interest expense related to the Exchangeable Secured Notes, including amortization of debt discount and issuance costs, and net of income tax effects, was not added back to the numerator in calculating diluted loss per share for the three months ended June 30, 2026. The assumed exchange of all Exchangeable Secured Notes outstanding for shares of Class A Common Stock was dilutive for the six months ended June 30, 2026 and the three and six months ended June 30, 2025.

⁽³⁾ As the Convertible Notes are not participating securities, the Company calculates diluted earnings (loss) per share assuming their conversion into shares of Class A Common Stock of FOA using the if-converted method. If dilutive, the fair value adjustment related to the Convertible Notes, net of income tax effects, is reversed from the numerator of diluted earnings (loss) per share from continuing operations. If dilutive, the denominator of diluted earnings (loss) per share assumes that all Convertible Notes were converted into Class A Common Stock of FOA at the beginning of the reporting period.

The Company had 2,222,222 potentially dilutive shares related to the Convertible Notes for each of the three and six months ended June 30, 2026. The potentially dilutive shares related to the Convertible Notes were anti-dilutive for the three and six months ended June 30, 2026 and were excluded from the computation of diluted earnings (loss) per share. Accordingly, the fair value adjustments of \$10.3 million and \$3.1 million, net of income tax effects, were not reversed from the numerator in calculating diluted earnings (loss) per share for the three and six months ended June 30, 2026, respectively.

⁽⁴⁾ As the Preferred Stock is not a participating security, the Company calculates diluted earnings (loss) per share assuming its conversion into shares of Class A Common Stock of FOA using the if-converted method. If dilutive, the Preferred Stock dividends are added back to the numerator of diluted earnings (loss) per share from continuing operations. If dilutive, the denominator of diluted earnings (loss) per share assumes that all Preferred Stock was converted into Class A Common Stock of FOA at the beginning of the reporting period.

The Company had 1,428,571 potentially dilutive shares related to the Preferred Stock for each of the three and six months ended June 30, 2026. The potentially dilutive shares related to the Preferred Stock were anti-dilutive for the three and six months ended June 30, 2026 and were excluded from the computation of diluted earnings (loss) per share. Accordingly, \$1.1

million and \$2.3 million of Preferred Stock dividends were not added back to the numerator in calculating diluted earnings (loss) per share for the three and six months ended June 30, 2026, respectively.

⁽⁵⁾ The exchange agreement between FOA, FOA Equity, and the Equity Capital Unitholders (the “Exchange Agreement”) allows for the exchange of Class A LLC Units held by Equity Capital Unitholders, representing the noncontrolling interest, on a one-for-one basis for shares of Class A Common Stock of FOA. For the three and six months ended June 30, 2026 and 2025, the diluted weighted average shares outstanding of Class A Common Stock includes the effects of the if-converted method to reflect the provisions of the Exchange Agreement and assumes the Class A LLC Units held by Equity Capital Unitholders, representing the noncontrolling interest, exchange their Class A LLC Units on a one-for-one basis for shares of Class A Common Stock of FOA.

⁽⁶⁾ The Company had 304,818 and 515,321 potentially dilutive shares related to RSUs under the treasury stock method for the three and six months ended June 30, 2026, respectively, compared to 538,618 and 768,051 dilutive shares for the three and six months ended June 30, 2025, respectively. The potentially dilutive shares related to RSUs were anti-dilutive for the three months ended June 30, 2026 and were excluded from the computation of diluted loss per share.

The Company had 1,450,000 potentially dilutive shares related to options under the treasury stock method for both the three and six months ended June 30, 2026, compared to 720,000 potentially dilutive shares for both the three and six months ended June 30, 2025. The potentially dilutive shares related to the options were anti-dilutive for the three and six months ended June 30, 2026 and 2025 and were excluded from the computation of diluted earnings (loss) per share.

17. Subsequent Events

Second Amended and Restated Certificate of Incorporation

On July 31, 2026, the Company’s Second Amended and Restated Certificate of Incorporation (the “A&R Charter”) became effective upon filing with the Delaware Secretary of State. The A&R Charter, among other things, (i) reclassifies the outstanding shares of the Company’s Class B Common Stock such that each holder of outstanding Class A LLC Units holds, following the reclassification, a number of shares of the Company’s Class B Common Stock equal to the number of Class A LLC Units held by such holder, and (ii) provides that each share of the Company’s Class B Common Stock shall have one vote on matters on which the holders of the Company’s Class B Common Stock are entitled to vote.

As a result of these amendments, the number of outstanding shares of Class B Common Stock corresponds on a one-for-one basis with the number of outstanding Class A LLC Units. The amendments did not affect the economic ownership interests of the Company’s stockholders or holders of Class A LLC Units and did not result in dilution of existing stockholders.

A&R LFH Promissory Note

On August 4, 2026, FAR entered into an amended and restated version of the LFH Promissory Note (the “A&R LFH Promissory Note”) with LFH. The A&R LFH Promissory Note provides for an uncommitted revolving facility of up to \$20.0 million, provided that FAR can request that LFH grant a one-time temporary (not greater than 90 days) increase in the facility size by an amount no greater than \$30.0 million (resulting in an uncommitted revolving facility of up to \$50.0 million). The A&R LFH Promissory Note accrues interest at a rate of 10% per annum and matures on August 4, 2027. The A&R LFH Promissory Note contains certain covenants and customary events of default.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion of our financial condition and results of operations should be read together with our condensed consolidated financial statements and related notes. This discussion and analysis contains forward-looking statements that involve risk, uncertainties, and assumptions. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of many factors. Also, see "Forward-Looking Statements" in this Quarterly Report on Form 10-Q (the "Form 10-Q"). Unless the context otherwise requires, all references in this section to "we," "us," "our," "FOA," or the "Company" refer to Finance of America Companies Inc. and its consolidated subsidiaries. References to "FOA Equity" are to Finance of America Equity Capital LLC, a Delaware limited liability company, that the Company controls in an "UP-C" structure.

Overview

Finance of America Companies Inc. is a financial services holding company which, through its operating subsidiaries, is a leading provider of home equity-based financing solutions for a modern retirement. In addition, FOA offers capital markets and portfolio management capabilities primarily to optimize the distribution of its originated loans to investors.

FOA was incorporated in Delaware on October 9, 2020 and became a publicly-traded company on the New York Stock Exchange (the "NYSE") in April 2021, with trading beginning on April 5, 2021. On August 15, 2025, FOA's Class A Common Stock (the "Class A Common Stock") also began trading on NYSE Texas, Inc. FOA continues to maintain its primary listing on the NYSE and trades under the same "FOA" ticker symbol on both exchanges.

FOA has a controlling financial interest in FOA Equity. FOA Equity owns all of the outstanding equity interests in Finance of America Funding LLC ("FOAF"). FOAF wholly owns Finance of America Holdings LLC ("FAH") and Incenter LLC ("Incenter" and collectively, with FOA Equity, FOAF, and FAH, known as "holding company subsidiaries"). FAH is the parent of a lending company, Finance of America Reverse LLC ("FAR"), while Incenter is the parent of operating service companies that provide capital markets and portfolio management capabilities.

We are a leading provider of home equity-based financing solutions for a modern retirement, offering innovative financing tools to help homeowners aged 55 and over make the most of their housing wealth and achieve a more secure retirement. We are principally focused on offering reverse mortgage loan products and certain traditional home equity loan products throughout the United States of America ("U.S."). We believe the U.S. home equity-based lending market opportunity is strong and that home equity-based financing solutions are a key component in addressing an existing underserved market of seniors in the U.S.

Our strategy and long-term growth initiatives are built upon a few key fundamental factors:

- We are focused on growing our core retirement solutions business in order to capitalize on the U.S. home equity-based lending market opportunity. We believe we can continue to enhance, expand, and more effectively dispatch our innovative suite of home equity-based financing solutions to help senior homeowners achieve their retirement goals.
- We distribute our products through multiple channels and utilize flexible technology platforms in order to scale our business and manage costs efficiently.
- We connect borrowers with investors. Our consumer-facing business leaders interface directly with the investor-facing professionals in our Portfolio Management segment, facilitating the development of attractive lending solutions for our customers with the confidence that the loans we generate can be efficiently and profitably monetized through sale or securitization to a deep pool of investors, which minimizes capital at risk, with the Company often retaining a future performance-based participation interest in the underlying cash flows of our monetized loans.

Through FAR, the Company originates, acquires, and services (in partnership with third-party subservicers) home equity conversion mortgage ("HECM") loans, which are originated pursuant to the Federal Housing Administration (the "FHA") HECM program and are insured by the FHA, and non-agency reverse mortgage loans, which are not insured by the FHA. We have launched several non-agency reverse mortgage loan products to serve the U.S. senior population. At the same time, we continuously look to develop and launch new products to satisfy this vast and largely underserved market. For example, we previously launched a non-agency second lien reverse mortgage loan product, second in priority behind the first lien of an existing traditional mortgage loan or home equity line of credit collateralized by the same mortgaged property. This second lien product has enabled us to serve borrowers who already have and desire to maintain a low-rate primary mortgage but want the convenience of a flexible second lien loan with no required monthly principal and interest payments. In April 2026, FOA rolled out a new second lien

reverse mortgage line of credit, which is a non-revolving, multi-draw product that allows borrowers to tap their equity at the times and in the amounts that precisely suit their needs. We are also pursuing partnerships with mortgage servicers to make our second lien reverse mortgage loan products available to their eligible traditional mortgage customers with a streamlined approval process, which we expect to broaden the reach of, and raise originations volumes for, the second lien product. Additionally, in 2026, we commenced originating certain traditional home equity loan products. This marks the first time that we have originated traditional home equity loans and enables us to serve potential borrowers who need higher loan-to-value solutions than those provided by our suite of reverse mortgage loan products. Further, in December 2025, we announced a strategic partnership with funds managed by Blue Owl Capital, Inc., which includes a joint innovation and product-development initiative focused on the continuous rollout of new, differentiated financial products tailored for people looking to maximize freedom, security, and opportunity throughout their retirement. These efforts exemplify our commitment to meet and serve new kinds of borrowers. We are a leader in this market and we are focused on developing and offering products for borrowers with interest in using home equity-based financing solutions as retirement planning tools, which we believe will continue to increase our addressable customer base and ultimately raise our origination volumes.

We originate reverse mortgage loans through a retail channel (consisting primarily of a centralized retail platform) and a third-party originator (“TPO”) channel (consisting primarily of a network of mortgage brokers). In 2026, we have also begun originating traditional home equity loans initially through an artificial intelligence (“AI”) platform provided by the Better Home & Finance Holding Company (“Better”). In 2025 and 2026, we have continued to take steps to enhance our marketing and digital capabilities. In the first quarter of 2025, we completed the migration of our telephony platform, and we have continued to enhance its performance. In the second quarter of 2025, we launched and transitioned to our new brand platform, “A Better Way with FOA,” alongside the launch of a national advertising campaign, which integrates a mix of traditional and online mediums. This represents a shift in marketing strategy designed to enhance brand visibility and connect with a new generation of customers through modernized messaging that reflects the real-life goals and aspirations of today’s senior homeowners. We have also continued to enhance our digital capabilities by leveraging automated digital tools to improve efficiency and the overall ease of transacting. In June 2025, we launched a digital pre-qualification tool for certain products that can deliver a three-minute pre-qualification experience, setting a new benchmark for speed and customer engagement in the industry. In the fourth quarter of 2025, we launched “Joy,” our AI-powered customer ambassador chatbot, to provide consumer support over the telephone. In 2026, we expanded Joy’s capabilities, including enabling Joy to provide consumer support via the exchange of online instant messages, and separately implemented SMS engagement tools for sales teams. These efforts have culminated in the launch of Helix, our proprietary, industry first end-to-end platform that connects how we acquire, evaluate, and move customers through the loan origination process, with Joy operating as the AI layer across that system. Additionally, in 2025, we engaged in efforts to refine the systems used by our mortgage broker partners to improve the efficiency and ease of originations via our TPO channel. We believe that these efforts have and will (i) increase brand and product recognition among customers and mortgage brokers, (ii) improve overall customer experience, and (iii) ultimately raise our origination volumes.

We are engaging in strategic partnerships in an effort to expand the reach of our products. In October 2025 we announced a strategic partnership with Better, pursuant to which we have begun to originate traditional home equity loans through Better’s AI platform and serve as Better’s reverse mortgage origination partner, including both HECM loans and non-agency reverse mortgage loans. Better is initially leveraging traditional platforms to offer these products; however our goal for this collaboration is to allow us to integrate our reverse mortgage products into a unified digital experience. Additionally, following the closing of the OMC Transaction described below, we are engaging with Onity Mortgage Corporation (formerly known as PHH Mortgage Corporation) (“OMC”) to make our non-agency second lien reverse mortgage loan product available to OMC’s eligible traditional mortgage customers with a streamlined approval process. We are also pursuing partnerships with additional mortgage servicers to make our non-agency second lien reverse mortgage loan product available to their eligible traditional mortgage customers with a streamlined approval process. We believe that these efforts will significantly broaden the reach of our products and ultimately raise our origination volumes.

Our Portfolio Management segment provides structuring and product development expertise as well as broker/dealer and institutional asset management capabilities, which facilitates innovation and the successful monetization of our loans. We securitize HECM loans into Home Equity Conversion Mortgage-Backed Securities (“HMBS”), which the Government National Mortgage Association (“Ginnie Mae”) guarantees, and sell HMBS in the secondary market while retaining the rights to service the HECM loans. When HECM loans are not eligible for securitization into HMBS or are required to be bought out of a pool of HECM loans previously securitized into HMBS, we convey the

HECM loans to the United States Department of Housing and Urban Development (“HUD”) or liquidate them in accordance with program requirements, securitize them into privately placed mortgage-backed securities (“MBS”), or hold them for investment. In November 2024, Ginnie Mae announced the finalized term sheet for its HMBS 2.0 program. If implemented, the HMBS 2.0 program will enable us to securitize into HMBS additional HECM loans that are required to be bought out of pools of HECM loans securitized pursuant to Ginnie Mae’s existing HMBS program or otherwise not eligible for securitization pursuant to Ginnie Mae’s existing HMBS program (subject to expanded eligibility parameters applicable to the HMBS 2.0 program), increasing the HECM loans that we are able to securitize into HMBS. We either securitize non-agency reverse mortgage loans into MBS sold to investors or sell them as whole loans to investors, while retaining the right to service the loans. We may also decide to strategically hold certain non-agency reverse mortgage loans for investment. We sell traditional home equity loans as whole loans to investors on a servicing released basis. The capabilities provided by the Portfolio Management segment allowed us to complete several sales and issuances of MBS backed by our loan products in 2025 and the first half of 2026, including a nearly \$2 billion securitization of non-agency reverse mortgage loans in September 2025, the largest in Company history. This demonstrates the high quality and liquidity of the loan products we originate, the deep relationships we have with our investors, and the resilience of our business model in many economic environments.

Asset Acquisition

On June 30, 2026, FAR completed the acquisition of certain assets and assumed certain liabilities of OMC related to OMC’s reverse mortgage loan origination and servicing business (the “OMC Transaction”). The acquired assets included a portfolio of mortgage servicing rights (“MSR”) associated with HECM loans and certain reverse mortgage loan origination assets, including OMC’s reverse mortgage loan pipeline. Participation interests in such HECM loans had previously been pooled into HMBS, and the Company assumed the HMBS related obligations as part of the OMC Transaction. The OMC Transaction was completed pursuant to an Asset Purchase Agreement, a Reverse Mortgage Servicing Rights Purchase and Sale Agreement, and a Mortgage Loan Sale Agreement, each originally entered into on November 17, 2025, with the Asset Purchase Agreement and Reverse Mortgage Servicing Rights Purchase and Sale Agreement subsequently amended on April 30, 2026. Refer to Note 3 - Asset Acquisition in the Notes to Condensed Consolidated Financial Statements for additional information.

Business Trends and Conditions

There are several key factors and trends affecting our results of operations. A summary of key factors impacting our revenues include:

- prevailing interest rates which impact loan origination volume, with declining interest rates generally leading to increases in volume, and an increasing interest rate environment generally leading to decreases in volume;
- housing market trends which also impact loan origination volume, with an appreciating housing market typically leading to higher loan origination volume, and a housing market with decreasing values typically leading to lower loan origination volume;
- demographic and housing stock trends which impact the addressable market size;
- movement of market interest rates and yields required by investors, with the increasing of market interest rates and yields generally having negative impacts on the fair value of our financial assets, and the decreasing of market interest rates and yields generally having positive impacts on the fair value of our financial assets;
- increases or decreases in default status of loans and prepayment speeds; and
- broad economic factors such as the strength and stability of the overall economy, including sustained higher or lower interest rates, inflation, the unemployment level, real estate values, and trade and tax policies.

Other factors that may affect our cost base include trends in salaries and benefits costs, sales commissions, loan production and servicing costs, marketing and advertising, technology, rent, legal, compliance, and other general and administrative costs. Management continually monitors these costs through operating plans.

Other Recent Events

The U.S. Federal Reserve’s monetary policies and the federal government’s tariff policies may have an impact on economic conditions relevant to our business, including real estate values and prevailing mortgage rates, however,

the extent of the impact remains uncertain. Higher interest rates generally lead to lower mortgage transaction volumes, increased competition, and lower profit margins. Volatility in market conditions resulting from the foregoing policies may cause credit spreads to widen, which reduces, among other things, availability of credit to our Company on favorable terms, liquidity in the market, the fair value of assets on our balance sheet, and price transparency of real estate-related or asset-backed assets.

Our Company is actively monitoring these events and their effects on the Company's financial condition, liquidity, operations, industry, and workforce. These continuing economic impacts may cause additional volatility in the financial markets and may have an adverse effect on the Company's results of future operations, financial condition, and liquidity in 2026 and beyond. See the Results of Operations section below.

For further discussion on the potential impacts of the Federal Reserve's monetary policies and macroeconomic conditions, see "Risks Related to the Business of the Company" and "Our business is significantly impacted by changes in interest rates. Changes in prevailing interest rates due to U.S. monetary policies or other macroeconomic conditions that affect interest rates may have a detrimental effect on our operations, financial performance, and earnings," as well as "Risks Related to Our Lending Business" and "Our loan origination and servicing revenues are highly dependent on macroeconomic and U.S. residential real estate market conditions" under the section entitled "Item 1A. Risk Factors" in our Annual Report on Form 10-K ("2025 Form 10-K") for the year ended December 31, 2025, filed with the U.S. Securities and Exchange Commission (the "SEC") on March 13, 2026. Such risk factors may be amended or updated in our subsequent periodic reports filed with the SEC.

Results of Operations

Consolidated Results

The following table presents our consolidated operating results from continuing operations (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Portfolio interest income:				
Interest income	\$ 490,075	\$ 481,800	\$ 957,678	\$ 962,402
Interest expense	(435,160)	(422,336)	(836,493)	(832,503)
Net portfolio interest income	54,915	59,464	121,185	129,899
Other income (expense):				
Net origination gains	66,576	56,058	127,463	102,096
Gains on securitization of HECM tails, net	13,620	10,855	25,287	21,336
Fair value changes from model amortization	(36,199)	(35,456)	(68,219)	(76,412)
Fair value changes from market inputs or model assumptions	(31,543)	94,939	(11,619)	183,202
Net fair value changes on loans and related obligations	12,454	126,396	72,912	230,222
Fee income	7,454	6,739	13,566	13,085
Non-funding interest expense, net	(12,342)	(15,223)	(25,040)	(30,135)
Net other income (expense)	7,566	117,912	61,438	213,172
Total revenues	62,481	177,376	182,623	343,071
Expenses				
Salaries, benefits, and related expenses	42,267	36,974	84,871	70,904
Loan production and portfolio related expenses	15,034	9,462	32,700	20,792
Loan servicing expenses	7,743	7,525	15,189	15,266
Marketing and advertising expenses	17,214	12,265	30,553	22,996
Amortization and depreciation	9,929	9,654	19,781	19,312
General and administrative expenses	13,902	13,180	28,361	26,159
Total expenses	106,089	89,060	211,455	175,429
Other, net	(27,448)	(6,361)	(5,967)	(3,994)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	\$ (71,056)	\$ 81,955	\$ (34,799)	\$ 163,648

Net interest income

All of our financial instruments, with the exception of certain notes payable, are either recorded at fair value or the carrying value approximated fair value. The interest recognized on these financial instruments is recorded in Interest income or Interest expense in the Condensed Consolidated Statements of Operations. The interest on our notes payable is recorded in Non-funding interest expense, net, in the Condensed Consolidated Statements of Operations. We evaluate net interest income through an evaluation of all components of interest income and interest expense.

The following table presents the components of net interest income (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Interest income:				
Interest income on mortgage loans	\$ 484,741	\$ 478,321	\$ 946,228	\$ 955,923
Other interest income	5,334	3,479	11,450	6,479
Total portfolio interest income	490,075	481,800	957,678	962,402
Interest expense:				
Interest expense on HMBS and nonrecourse obligations ⁽¹⁾	(412,390)	(400,468)	(790,806)	(793,371)
Interest expense on other financing lines of credit	(22,770)	(21,868)	(45,687)	(39,132)
Total portfolio interest expense	(435,160)	(422,336)	(836,493)	(832,503)
Net portfolio interest income	54,915	59,464	121,185	129,899
Non-funding interest expense, net	(12,342)	(15,223)	(25,040)	(30,135)
Net interest income	\$ 42,573	\$ 44,241	\$ 96,145	\$ 99,764

⁽¹⁾ Interest expense on HMBS and nonrecourse obligations includes gains or losses on extinguishment of debt related to the purchase of securities that were previously issued by consolidated trusts.

For the three months ended June 30, 2026 versus the three months ended June 30, 2025

Net income (loss) from continuing operations before income taxes decreased \$153.0 million primarily as a result of the following:

- Fair value changes from market inputs or model assumptions decreased \$126.5 million primarily due to net changes in interest rates, yields, home price appreciation, and other inputs, which generated net fair value losses during the three months ended June 30, 2026 compared to net fair value gains during the 2025 period. Refer to Note 5 - Fair Value in the Notes to Condensed Consolidated Financial Statements for additional information regarding the key inputs, assumptions, and valuation techniques impacting the value of our loans and related obligations.
- Net origination gains increased \$10.5 million as a result of higher reverse mortgage loan origination volumes. We recognized \$66.6 million in net origination gains on loan originations of \$730.0 million for the three months ended June 30, 2026 compared to \$56.1 million in net origination gains on loan originations of \$602.3 million for the comparable 2025 period.
- Non-funding interest expense, net, decreased \$2.9 million during the three months ended June 30, 2026 compared to the 2025 period primarily due to lower outstanding balances on our working capital promissory notes and senior notes, as well as a lower interest rate on our remaining promissory note.
- Total expenses increased \$17.0 million primarily due to increases in salaries, benefits, and related expenses as a result of higher compensation resulting from increased loan production, an increase in marketing and advertising expenses related to our investment in marketing for future volume growth, and an increase in loan portfolio related expenses as a result of higher securitization expenses and increased loan production. We issued \$1.2 billion of notes during the three months ended June 30, 2026 compared to \$0.9 billion for the 2025 period.
- Other, net, decreased \$21.1 million primarily due to a \$24.3 million loss on convertible notes resulting from the increase in FOA's stock price from \$16.60 to \$27.52 during the three months ended June 30, 2026, as well as valuation changes in certain non-operating assets and deferred purchase price liabilities.

For the six months ended June 30, 2026 versus the six months ended June 30, 2025

Net income (loss) from continuing operations before income taxes decreased \$198.4 million primarily as a result of the following:

- Fair value changes from market inputs or model assumptions decreased \$194.8 million primarily due to net changes in interest rates, yields, home price appreciation, and other inputs, which generated net fair value losses during the six months ended June 30, 2026 compared to net fair value gains during the 2025 period. Refer to Note 5 - Fair Value in the Notes to Condensed Consolidated Financial Statements for additional information regarding the key inputs, assumptions, and valuation techniques impacting the value of our loans and related obligations.
- Net portfolio interest income decreased \$8.7 million due to a higher cost of funds within our securitized financing portfolio, which was partially offset by increased gains on extinguishment of debt related to the purchases of securities that were previously issued by consolidated trusts. Fair value changes from model amortization improved \$8.2 million primarily due to higher accreted yield on the Company's residual interests during the six months ended June 30, 2026 compared to the 2025 period.
- Net origination gains increased \$25.4 million as a result of higher reverse mortgage loan origination volumes and higher margins. We recognized \$127.5 million in net origination gains on reverse mortgage loan originations of \$1.3 billion for the six months ended June 30, 2026 compared to \$102.1 million in net origination gains on loan originations of \$1.2 billion for the comparable 2025 period.
- Non-funding interest expense, net, decreased \$5.1 million during the six months ended June 30, 2026 compared to the 2025 period primarily due to lower outstanding balances on our working capital promissory notes and senior notes, as well as a lower interest rate on our remaining promissory note.
- Total expenses increased \$36.0 million primarily due to increases in salaries, benefits, and related expenses as a result of higher compensation resulting from increased loan production, as well as increased headcount to support the Company's investment in our technology initiatives, an increase in marketing and advertising expenses related to our investment in marketing for future volume growth, and an increase in loan portfolio related expenses as a result of higher securitization expenses and increased loan production. We issued \$2.9 billion of notes during the six months ended June 30, 2026 compared to \$1.7 billion for the 2025 period.

Our Segments

Our business operates through two reportable segments: Retirement Solutions and Portfolio Management. A description of the business conducted by each of these segments is provided below.

Retirement Solutions

Our Retirement Solutions segment conducts all of our Company's loan origination activity, including the origination and acquisition of HECM loans and non-agency reverse mortgage loans through both the retail and TPO channels. The Retirement Solutions segment generates revenue from fees earned at the time of loan origination as well as from the initial estimate of net origination gains, with all originated loans accounted for at fair value. Once originated, the loans are transferred to our Portfolio Management segment, and any future fair value adjustments, including interest earned, on these originated loans are reflected in the revenues of our Portfolio Management segment until final disposition.

Portfolio Management

Our Portfolio Management segment provides product development, loan securitization, loan sales, risk management, servicing oversight, and asset management services to the Company. Our Portfolio Management team acts as the connector between borrowers and investors. The direct connections to investors, provided primarily by our Financial Industry Regulatory Authority registered broker-dealer, allow us to innovate and manage risk through better price and product discovery. Given our scale, we are able to work directly with investors and, where appropriate, retain assets on the balance sheet for attractive return opportunities. These retained investments are a source of growing and recurring interest and other servicing-related income. The Portfolio Management segment primarily generates revenue from the net interest income and fair value changes on portfolio assets, monetized through securitization, sale, or other financing of those assets.

See the Segment Results section below and Note 13 - Business Segment Reporting in the Notes to Condensed Consolidated Financial Statements for additional financial information about our segments.

Segment Results

Revenues and fees are directly attributed to their respective segments at the time services are performed. Revenues generated on inter-segment services performed are valued based on estimated market value. Expenses directly attributable to the operating segments are expensed as incurred. Other expenses are allocated to individual segments based on the estimated value of services performed, total revenue contributions, personnel headcount, or the equity invested in each segment based on the type of expense allocated. The allocation methodology is reviewed annually. There were no changes to methodology during the three and six months ended June 30, 2026 and 2025. Expenses for enterprise-level general overhead, such as executive administration, are not allocated to the business segments.

Retirement Solutions Segment

The following table presents our Retirement Solutions segment's results (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Net origination gains	\$ 66,576	\$ 56,058	\$ 127,463	\$ 102,096
Fee income	7,273	6,289	13,015	11,972
Total revenues	73,849	62,347	140,478	114,068
Total expenses	63,669	51,974	120,385	100,436
NET INCOME BEFORE INCOME TAXES	\$ 10,180	\$ 10,373	\$ 20,093	\$ 13,632

Key Metrics

The following table presents our Retirement Solutions segment's key metrics (in thousands, except units):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Reverse mortgage loan origination volume				
Loan origination volume ⁽¹⁾	\$ 729,957	\$ 602,279	\$ 1,326,043	\$ 1,162,957
Loan origination volume - tails ⁽²⁾	235,273	229,260	461,741	465,780
Total loan origination volume	\$ 965,230	\$ 831,539	\$ 1,787,784	\$ 1,628,737
Reverse mortgage loan origination volume - units ⁽¹⁾	3,070	2,488	5,554	4,772
Reverse mortgage loan origination volume - by channel⁽¹⁾				
TPO	\$ 456,813	\$ 398,489	\$ 836,451	\$ 783,045
Retail	273,144	203,790	489,592	379,912
Total reverse mortgage loan origination volume	\$ 729,957	\$ 602,279	\$ 1,326,043	\$ 1,162,957

⁽¹⁾ Loan origination volume consists of initial reverse mortgage loan borrowing amounts.

⁽²⁾ Tails consist of subsequent borrower draws, mortgage insurance premiums, service fees, and other advances, which are added to the balance of the reverse mortgage loans and which we are able to subsequently securitize.

Revenues

The following table presents the components of our Retirement Solutions segment's total revenues (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Net origination gains:				
TPO	\$ 61,656	\$ 52,299	\$ 115,686	\$ 96,963
Retail	31,815	22,076	61,057	40,215
Acquisition costs	(26,895)	(18,317)	(49,280)	(35,082)
Total net origination gains	66,576	56,058	127,463	102,096
Fee income	7,273	6,289	13,015	11,972
Total revenues	\$ 73,849	\$ 62,347	\$ 140,478	\$ 114,068

For the three months ended June 30, 2026 versus the three months ended June 30, 2025

Total revenues increased \$11.5 million or 18.4% as a result of the following:

- Net origination gains increased \$10.5 million or 18.8% as a result of higher reverse mortgage loan origination volumes. We originated \$730.0 million of reverse mortgage loans for the three months ended June 30, 2026, an increase of 21.2%, compared to \$602.3 million for the comparable 2025 period.

For the six months ended June 30, 2026 versus the six months ended June 30, 2025

Total revenues increased \$26.4 million or 23.2% as a result of the following:

- Net origination gains increased \$25.4 million or 24.8% as a result of higher reverse mortgage loan origination volumes and higher margins. We originated \$1.3 billion of reverse mortgage loans for the six months ended June 30, 2026, an increase of 14.0%, compared to \$1.2 billion for the comparable 2025 period. During the six months ended June 30, 2026, the weighted average margin on reverse mortgage loan production was 9.6% compared to 8.8% in the 2025 period, an increase of 0.8%.

Expenses

The following table presents the components of our Retirement Solutions segment's total expenses (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Salaries	\$ 17,469	\$ 14,725	\$ 34,052	\$ 29,067
Commissions and bonuses	7,897	6,196	14,015	11,120
Other salary related expenses	3,014	2,432	6,026	5,018
Total salaries, benefits, and related expenses	28,380	23,353	54,093	45,205
Loan production expenses	2,905	1,251	4,839	2,777
Marketing and advertising expenses	17,188	12,257	30,527	22,987
Amortization and depreciation	9,409	9,327	18,818	18,657
General and administrative expenses	5,787	5,786	12,108	10,810
Total expenses	\$ 63,669	\$ 51,974	\$ 120,385	\$ 100,436

For the three months ended June 30, 2026 versus the three months ended June 30, 2025

Total expenses increased \$11.7 million or 22.5% as a result of the following:

- Total salaries, benefits, and related expenses increased \$5.0 million primarily due to higher compensation resulting from increased loan production.
- Marketing and advertising expenses increased \$4.9 million related to our investment in marketing for future volume growth.

For the six months ended June 30, 2026 versus the six months ended June 30, 2025

Total expenses increased \$19.9 million or 19.9% as a result of the following:

- Total salaries, benefits, and related expenses increased \$8.9 million primarily due to higher compensation resulting from increased loan production.
- Marketing and advertising expenses increased \$7.5 million related to our investment in marketing for future volume growth.

Portfolio Management Segment

The following table presents our Portfolio Management segment's results (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Portfolio interest income:				
Interest income	\$ 490,075	\$ 481,800	\$ 957,678	\$ 962,402
Interest expense	(435,160)	(422,336)	(836,493)	(832,503)
Net portfolio interest income	54,915	59,464	121,185	129,899
Other income (expense):				
Gains on securitization of HECM tails, net	13,620	10,855	25,287	21,336
Fair value changes from model amortization	(36,199)	(35,456)	(68,219)	(76,412)
Fair value changes from market inputs or model assumptions	(31,543)	94,939	(11,619)	183,202
Net fair value changes on loans and related obligations	(54,122)	70,338	(54,551)	128,126
Fee income	304	573	797	1,359
Net other income (expense)	(53,818)	70,911	(53,754)	129,485
Total revenues	1,097	130,375	67,431	259,384
Total expenses	27,383	22,271	57,330	46,002
NET INCOME (LOSS) BEFORE INCOME TAXES	\$ (26,286)	\$ 108,104	\$ 10,101	\$ 213,382

The following table presents the assets and liabilities in our Portfolio Management segment (in thousands):

	June 30, 2026	December 31, 2025
Cash and cash equivalents	\$ 54,159	\$ 33,028
Restricted cash	254,890	234,885
Loans held for investment, subject to HMBS related obligations, at fair value	25,044,536	19,135,403
Loans held for investment, subject to nonrecourse debt, at fair value	10,928,261	10,026,177
Loans held for investment, at fair value	516,892	870,081
Other assets, net	243,423	158,944
Total earning assets	37,042,161	30,458,518
HMBS related obligations, at fair value	24,717,687	18,912,226
Nonrecourse debt, at fair value	10,641,380	9,736,493
Other financing lines of credit	1,054,766	1,187,699
Payables and other liabilities	14,500	55,524
Total financing of portfolio	36,428,333	29,891,942
Net carrying value of earning assets	\$ 613,828	\$ 566,576

Key Metrics

The following tables present our Portfolio Management segment's key metrics (dollars in thousands):

	June 30, 2026	December 31, 2025
Reverse Mortgage Loans		
Active unpaid principal balance ("UPB")	\$ 33,535,797	\$ 27,833,679
Due and payable	740,932	516,618
Foreclosure	709,984	559,300
Claims pending	116,421	98,477
Ending UPB	\$ 35,103,134	\$ 29,008,074
Loan count	108,861	88,493
Average UPB	\$ 322	\$ 328
Weighted average coupon	6.60 %	6.71 %
Weighted average age (in months)	52	50
Percentage of UPB in foreclosure	2.0 %	1.9 %

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Capital Markets Transactions				
Number of securitizations	1	2	4	3
Notes issued	\$ 1,164,082	\$ 856,566	\$ 2,892,063	\$ 1,733,258

Revenues

The following table presents the components of our Portfolio Management segment's total revenues (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Portfolio interest income:				
Interest income	\$ 490,075	\$ 481,800	\$ 957,678	\$ 962,402
Interest expense	(435,160)	(422,336)	(836,493)	(832,503)
Net portfolio interest income	54,915	59,464	121,185	129,899
Other income (expense):				
Gains on securitization of HECM tails, net	13,620	10,855	25,287	21,336
Fair value changes from model amortization	(36,199)	(35,456)	(68,219)	(76,412)
Fair value changes from market inputs or model assumptions	(31,543)	94,939	(11,619)	183,202
Net fair value changes on loans and related obligations	(54,122)	70,338	(54,551)	128,126
Fee income	304	573	797	1,359
Net other income (expense)	(53,818)	70,911	(53,754)	129,485
Total revenues	\$ 1,097	\$ 130,375	\$ 67,431	\$ 259,384

The majority of our financial instruments are valued utilizing a process that combines the use of a discounted cash flow ("DCF") model and analysis of current market data to arrive at an estimate of fair value. The cash flow assumptions and prepayment and repayment assumptions used in the model are based on various factors, with the key assumptions being prepayment and repayment speeds, credit loss frequencies and severity, and discount rate assumptions. The changes in fair value due to portfolio runoff and realization of modeled income and expenses are recorded in Fair value changes from model amortization in the Condensed Consolidated Statements of Operations, and other fair value changes are recorded in Fair value changes from market inputs or model assumptions in the Condensed Consolidated Statements of Operations. The interest recognized on these financial instruments is recorded in Interest income or Interest expense in the Condensed Consolidated Statements of Operations.

The following table presents the components of net portfolio interest income (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Interest income:				
Interest income on mortgage loans	\$ 484,741	\$ 478,321	\$ 946,228	\$ 955,923
Other interest income	5,334	3,479	11,450	6,479
Total portfolio interest income	490,075	481,800	957,678	962,402
Interest expense:				
Interest expense on HMBS and nonrecourse obligations ⁽¹⁾	(412,390)	(400,468)	(790,806)	(793,371)
Interest expense on other financing lines of credit	(22,770)	(21,868)	(45,687)	(39,132)
Total portfolio interest expense	(435,160)	(422,336)	(836,493)	(832,503)
Net portfolio interest income	\$ 54,915	\$ 59,464	\$ 121,185	\$ 129,899

⁽¹⁾ Interest expense on HMBS and nonrecourse obligations includes gains or losses on extinguishment of debt related to the purchase of securities that were previously issued by consolidated trusts.

For the three months ended June 30, 2026 versus the three months ended June 30, 2025

Total revenues decreased \$129.3 million as a result of the following:

- Fair value changes from market inputs or model assumptions decreased \$126.5 million primarily due to net changes in interest rates, yields, home price appreciation, and other inputs, which generated net fair value

losses during the three months ended June 30, 2026 compared to net fair value gains during the 2025 period. Refer to Note 5 - Fair Value in the Notes to Condensed Consolidated Financial Statements for additional information regarding the key inputs, assumptions, and valuation techniques impacting the value of our loans and related obligations.

For the six months ended June 30, 2026 versus the six months ended June 30, 2025

Total revenues decreased \$192.0 million as a result of the following:

- Fair value changes from market inputs or model assumptions decreased \$194.8 million primarily due to net changes in interest rates, yields, home price appreciation, and other inputs, which generated net fair value losses during the six months ended June 30, 2026 compared to net fair value gains during the 2025 period. Refer to Note 5 - Fair Value in the Notes to Condensed Consolidated Financial Statements for additional information regarding the key inputs, assumptions, and valuation techniques impacting the value of our loans and related obligations.
- Net portfolio interest income decreased \$8.7 million due to a higher cost of funds within our securitized financing portfolio, which was partially offset by increased gains on extinguishment of debt related to the purchases of securities that were previously issued by consolidated trusts. Fair value changes from model amortization improved \$8.2 million primarily due to higher accreted yield on the Company's residual interests during the six months ended June 30, 2026 compared to the 2025 period.

Expenses

The following table presents the components of our Portfolio Management segment's total expenses (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Salaries	\$ 3,320	\$ 2,899	\$ 6,564	\$ 5,705
Commissions and bonuses	502	469	987	911
Other salary related expenses	478	357	1,047	741
Total salaries, benefits, and related expenses	4,300	3,725	8,598	7,357
Loan portfolio related expenses	12,129	8,211	27,861	18,015
Loan servicing expenses	7,743	7,525	15,189	15,266
Amortization and depreciation	5	16	10	34
General and administrative expenses	3,206	2,794	5,672	5,330
Total expenses	\$ 27,383	\$ 22,271	\$ 57,330	\$ 46,002

For the three months ended June 30, 2026 versus the three months ended June 30, 2025

Total expenses increased \$5.1 million or 23.0% as a result of the following:

- Loan portfolio related expenses increased \$3.9 million due to higher securitization expenses during the three months ended June 30, 2026 compared to the 2025 period. We issued \$1.2 billion of notes during the three months ended June 30, 2026 compared to \$0.9 billion for the 2025 period.

For the six months ended June 30, 2026 versus the six months ended June 30, 2025

Total expenses increased \$11.3 million or 24.6% as a result of the following:

- Loan portfolio related expenses increased \$9.8 million due to higher securitization expenses during the six months ended June 30, 2026 compared to the 2025 period. We issued \$2.9 billion of notes during the six months ended June 30, 2026 compared to \$1.7 billion for the 2025 period.

Corporate and Other

Corporate and Other consists of our corporate services groups, as well as certain inter-segment revenues and expenses that are eliminated in the condensed consolidated financial statements. These groups support our operating segments, and the cost of services directly supporting the operating segments are allocated to those operating segments on a cost-of-service basis. Enterprise-focused Corporate and Other expenses that are not incurred in direct support of the operating segments are kept unallocated within Corporate and Other.

The following table presents Corporate and Other results (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Fee income	\$ (123)	\$ (123)	\$ (246)	\$ (246)
Non-funding interest expense, net	(12,342)	(15,223)	(25,040)	(30,135)
Total revenues	(12,465)	(15,346)	(25,286)	(30,381)
Total expenses	15,037	14,815	33,740	28,991
Other, net	(27,448)	(6,361)	(5,967)	(3,994)
NET LOSS BEFORE INCOME TAXES	\$ (54,950)	\$ (36,522)	\$ (64,993)	\$ (63,366)

The following table presents the components of Corporate and Other total expenses (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Salaries and bonuses	\$ 15,167	\$ 14,202	\$ 32,626	\$ 26,974
Other salary related expenses	2,548	2,150	5,809	4,280
Shared services - payroll allocations	(8,128)	(6,456)	(16,255)	(12,912)
Total salaries, benefits, and related expenses	9,587	9,896	22,180	18,342
Marketing and advertising expenses	26	8	26	9
Amortization and depreciation	515	311	953	621
Communications and data processing and other expenses	4,809	4,419	9,892	9,941
Professional and consulting fees	3,413	3,517	7,315	6,750
Shared services - general and administrative allocations	(3,313)	(3,336)	(6,626)	(6,672)
Total general and administrative expenses	4,909	4,600	10,581	10,019
Total expenses	\$ 15,037	\$ 14,815	\$ 33,740	\$ 28,991

For the three months ended June 30, 2026 versus the three months ended June 30, 2025

Total revenues improved \$2.9 million as a result of the following:

- Non-funding interest expense, net, decreased \$2.9 million during the three months ended June 30, 2026 compared to the 2025 period primarily due to lower outstanding balances on our working capital promissory notes and senior notes, as well as a lower interest rate on our remaining promissory note.

Other, net, decreased \$21.1 million primarily due to a \$24.3 million loss on convertible notes resulting from the increase in FOA's stock price from \$16.60 to \$27.52 during the three months ended June 30, 2026, as well as valuation changes in certain non-operating assets and deferred purchase price liabilities.

For the six months ended June 30, 2026 versus the six months ended June 30, 2025

Total revenues improved \$5.1 million as a result of the following:

- Non-funding interest expense, net, decreased \$5.1 million during the six months ended June 30, 2026 compared to the 2025 period primarily due to lower outstanding balances on our working capital promissory notes and senior notes, as well as a lower interest rate on our remaining promissory note.

Total expenses increased \$4.7 million or 16.4% as a result of the following:

- Salaries, benefits, and related expenses, net of shared services allocations, increased \$3.8 million for the six months ended June 30, 2026 when compared to the 2025 period primarily due to increased headcount to support the Company's investment in our technology initiatives.

Non-GAAP Financial Measures

The Company's management evaluates performance of the Company through the use of certain financial measures that are not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), including adjusted net income, adjusted earnings before interest, taxes, depreciation, and amortization ("EBITDA"), adjusted earnings per share, tangible equity, and tangible equity per share.

The presentation of non-GAAP measures is used to enhance investors' understanding of certain aspects of our financial performance. This discussion is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP. Management believes these key financial measures provide an additional view of our performance over the long-term and provide useful information that we use in order to maintain and grow our business.

These non-GAAP financial measures should not be considered as an alternative to net income (loss), operating cash flows, or any other performance measures determined in accordance with U.S. GAAP. Adjusted net income, adjusted EBITDA, adjusted earnings per share, tangible equity, and tangible equity per share have important limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results as reported under U.S. GAAP. Some of the limitations of these metrics are: (i) cash expenditures for future contractual commitments; (ii) cash requirements for working capital needs; (iii) cash requirements for certain tax payments; and (iv) all non-cash income/expense items.

Because of these limitations, adjusted net income, adjusted EBITDA, adjusted earnings per share, tangible equity, and tangible equity per share should not be considered as measures of discretionary cash available to us to invest in the growth of our business or distribute to shareholders. We compensate for these limitations by relying primarily on our U.S. GAAP results and using our non-GAAP financial measures only as a supplement. Users of our condensed consolidated financial statements are cautioned not to place undue reliance on our non-GAAP financial measures.

Adjusted Net Income

We define adjusted net income as net income (loss) from continuing operations adjusted for:

1. Income taxes
2. Changes in fair value of loans, retained bonds, and related obligations due to market inputs or model assumptions, deferred purchase price liabilities, and convertible promissory notes (the "Convertible Notes"), and amortization of the discount on senior notes resulting from the fair value measurement at issuance.
3. Amortization of intangible assets.
4. Equity-based compensation.
5. Certain non-recurring costs and adjustments that management believes should be excluded as these do not relate to a recurring part of the core business operations. These items include amounts recognized for settlement of legal and regulatory matters, acquisition or divestiture-related expenses, and other one-time charges.
6. Income tax provision adjustments to apply an effective combined federal and state corporate tax rate to adjusted net income before income taxes.

Management considers adjusted net income important in evaluating our Company as a whole. This supplemental metric is utilized by our management team to assess the underlying key drivers and operational performance of the continuing operations of the business. In addition, analysts, investors, and creditors may use this measure when analyzing our operating performance and comparability to peers. Adjusted net income is not a presentation made in accordance with U.S. GAAP, and our definition and use of this measure may vary from other companies in our industry.

Adjusted net income provides visibility to the underlying operating performance by excluding the impact of certain items that management does not believe are representative of our core earnings. Adjusted net income may also include other adjustments, as applicable, based upon facts and circumstances, consistent with our intent of providing a supplemental means of evaluating our operating performance.

Adjusted EBITDA

We define adjusted EBITDA as net income (loss) from continuing operations adjusted for:

1. Income taxes
2. Changes in fair value of loans, retained bonds, and related obligations due to market inputs or model assumptions, deferred purchase price liabilities, and Convertible Notes, and amortization of the discount on senior notes resulting from the fair value measurement at issuance.
3. Amortization of intangible assets.
4. Equity-based compensation.
5. Certain non-recurring costs and adjustments that management believes should be excluded as these do not relate to a recurring part of the core business operations. These items include amounts recognized for settlement of legal and regulatory matters, acquisition or divestiture-related expenses, and other one-time charges.
6. Depreciation
7. Interest expense on non-funding debt, excluding amortization of the discount on senior notes resulting from the fair value measurement at issuance.

Management considers adjusted EBITDA important in evaluating the Company as a whole. This supplemental metric is utilized by our management team to assess the underlying key drivers and operational performance of the continuing operations of the business. In addition, analysts, investors, and creditors may use this measure when analyzing our operating performance and comparability to peers. Adjusted EBITDA is not a presentation made in accordance with U.S. GAAP, and our definition and use of this measure may vary from other companies in our industry.

Adjusted EBITDA provides visibility to the underlying operating performance by excluding the impact of certain items that management does not believe are representative of our core earnings. Adjusted EBITDA may also include other adjustments, as applicable, based upon facts and circumstances, consistent with our intent of providing a supplemental means of evaluating our operating performance.

Adjusted Earnings Per Share

We define adjusted earnings per share as adjusted net income (defined above) plus interest expense on the exchangeable senior secured notes (the “Exchangeable Secured Notes”), net of a tax effect, if dilutive for adjusted earnings per share, divided by the weighted average shares outstanding, which includes outstanding Class A Common Stock plus the Class A LLC units of FOA Equity (“Class A LLC Units”) owned by the noncontrolling interest on an if-converted basis, the exchange of the Exchangeable Secured Notes on an if-converted basis if they are dilutive for adjusted earnings per share, the conversion of the Convertible Notes on an if-converted basis, the conversion of the Preferred Stock on an if-converted basis, and any shares under the treasury stock method.

Management considers adjusted earnings per share important in evaluating the Company as a whole. This supplemental metric is utilized by our management team to assess the underlying key drivers and operational performance of the continuing operations of the business. In addition, analysts, investors, and creditors may use this measure when analyzing our operating performance and comparability to peers. Adjusted earnings per share is not a presentation made in accordance with U.S. GAAP, and our definition and use of this measure may vary from other companies in our industry.

Tangible Equity

We define tangible equity as total equity less intangible assets, net. Management uses this metric to evaluate the Company's capital strength exclusive of intangible assets. We believe this measure is useful to analysts, investors, and creditors as it provides additional insight into the underlying equity position of the business. Tangible equity is not a presentation made in accordance with U.S. GAAP, and our definition and use of this measure may vary from other companies in our industry.

Tangible equity provides visibility to the underlying capital position by excluding the impact of certain items that management does not believe are representative of our core equity base. Tangible equity may also include other adjustments, as applicable, based upon facts and circumstances, consistent with our intent of providing a supplemental means of evaluating our financial strength.

Tangible Equity Per Share

We define tangible equity per share as tangible equity (defined above) divided by the adjusted Class A Common Stock outstanding, which is equal to the sum of shares of Class A Common Stock outstanding at quarter end, Class A LLC Units if-converted to Class A Common Stock at quarter end, and Preferred Stock if-converted to Class A Common Stock at quarter end. Management uses this metric to evaluate the Company's total capital strength exclusive of intangible assets. We believe this measure is useful to analysts, investors, and creditors as it provides additional insight into the underlying equity position of the business. Tangible equity per share is not a presentation made in accordance with U.S. GAAP, and our definition and use of this measure may vary from other companies in our industry.

Tangible equity per share provides visibility to the total underlying capital position by excluding the impact of certain items that management does not believe are representative of our core equity base. Tangible equity per share may also include other adjustments, as applicable, based upon facts and circumstances, consistent with our intent of providing a supplemental means of evaluating our financial strength.

Reconciliation to GAAP

The following table presents a reconciliation of net income (loss) from continuing operations to adjusted net income and adjusted EBITDA, as well as adjusted earnings per share, tangible equity, and tangible equity per share (in thousands, except for share data):

	Three months ended		Six months ended	
	June 30,		June 30,	
	2026	2025	2026	2025
Reconciliation of net income (loss) from continuing operations to adjusted net income and adjusted EBITDA				
Net income (loss) from continuing operations	\$ (28,852)	\$ 79,823	\$ 6,312	\$ 159,573
Add back: (Provision) benefit for income taxes	42,204	(2,132)	41,111	(4,075)
Net income (loss) from continuing operations before income taxes	(71,056)	81,955	(34,799)	163,648
Adjustments for:				
Changes in fair value ⁽¹⁾	83,996	(75,514)	68,947	(151,324)
Amortization of intangible assets	9,297	9,297	18,594	18,594
Equity-based compensation	3,362	2,647	6,786	4,804
Certain non-recurring costs	780	717	1,977	924
Adjusted net income before income taxes	26,379	19,102	61,505	36,646
Provision for income taxes	(6,938)	(5,066)	(16,178)	(9,680)
Adjusted net income	19,441	14,036	45,327	26,966
Provision for income taxes	6,938	5,066	16,178	9,680
Depreciation	632	357	1,187	718
Interest expense on non-funding debt	7,853	10,878	16,204	21,940
Adjusted EBITDA	\$ 34,864	\$ 30,337	\$ 78,896	\$ 59,304
GAAP PER SHARE MEASURES				
Net income from continuing operations attributable to holders of Class A Common Stock	\$ 927	\$ 34,923	\$ 17,309	\$ 67,160
Basic weighted average shares outstanding	8,911,666	11,041,337	8,707,450	10,611,689
Basic earnings per share from continuing operations	\$ 0.10	\$ 3.16	\$ 1.99	\$ 6.33
If-converted method net income (loss) from continuing operations	\$ (21,684)	\$ 64,205	\$ 9,281	\$ 141,441
Diluted weighted average shares outstanding	17,000,600	30,137,247	22,499,174	30,152,054
Diluted earnings (loss) per share from continuing operations	\$ (1.28)	\$ 2.13	\$ 0.41	\$ 4.69
NON-GAAP PER SHARE MEASURES				
Adjusted net income	\$ 19,441	\$ 14,036	\$ 45,327	\$ 26,966
Exchangeable Secured Notes interest expense ⁽²⁾	2,717	2,650	5,391	5,259
Total	\$ 22,158	\$ 16,686	\$ 50,718	\$ 32,225
Weighted average shares outstanding	26,294,139	30,137,247	26,149,967	30,152,054
Adjusted earnings per share	\$ 0.84	\$ 0.55	\$ 1.94	\$ 1.07

	June 30, 2026	December 31, 2025
GAAP Book Value Per Common Share		
Total equity	\$ 406,705	\$ 395,627
Less: Preferred Stock	50,000	50,000
Less: Noncontrolling interest	60,048	71,755
Total equity attributable to common stock	\$ 296,657	\$ 273,872
Class A Common Stock outstanding	8,936,570	7,899,344
Book value per common share	\$ 33.20	\$ 34.67
Non-GAAP Tangible Equity Per Share		
Total equity	\$ 406,705	\$ 395,627
Less: Intangible assets, net	161,020	179,615
Tangible equity	\$ 245,685	\$ 216,012
Class A Common Stock outstanding	8,936,570	7,899,344
Class A LLC Units (if-converted to Class A Common Stock)	8,088,934	8,381,821
Preferred Stock (if-converted to Class A Common Stock)	1,428,571	1,428,571
Adjusted Class A Common Stock outstanding	18,454,075	17,709,736
Tangible equity per share	\$ 13.31	\$ 12.20

⁽¹⁾ *Changes in fair value* - The adjustment for changes in fair value includes changes in fair value of loans, retained bonds, and related obligations due to market inputs or model assumptions, deferred purchase price liabilities, and Convertible Notes, and amortization of the discount on senior notes resulting from the fair value measurement at issuance.

Changes in fair value of loans, retained bonds, and related obligations due to market inputs or model assumptions - This adjustment relates to changes in the significant market or model input components of the fair value for loans, retained bonds, and related obligations. We include an adjustment for the significant market or model input components of the change in fair value because, while based on real observable and/or predicted changes in drivers of the valuation of assets or liabilities, they may be mismatched in any given period with the actual change in the underlying economics or when they will be realized in actual cash flows. Changes in fair value of loans, retained bonds, and related obligations include changes in fair value and related hedge gains and losses for the following:

1. Loans held for investment, subject to HMBS related obligations, at fair value;
2. Loans held for investment, subject to nonrecourse debt, at fair value;
3. Loans held for investment, at fair value;
4. Loans held for sale, at fair value;
5. Retained bonds, at fair value;
6. HMBS related obligations, at fair value; and
7. Nonrecourse debt, at fair value.

The adjustment for changes in fair value of loans, retained bonds, and related obligations due to market inputs or model assumptions is calculated based on changes in fair value associated with the above assets and liabilities calculated in accordance with U.S. GAAP, excluding the estimated impact of the change in fair value attributable to net origination gains and the change in fair value attributable to post-origination loan advances, accretion, and model amortization (i.e., portfolio run-off), net of hedge gains and losses, and any securitization expenses incurred in securitizing our mortgage loans held for investment, subject to nonrecourse debt. This adjustment represents changes in accounting estimates that are measured in accordance with U.S. GAAP. Actual results may differ from those estimates and assumptions due to factors such as changes in the economy, interest rates, secondary market pricing, prepayment assumptions, home prices, or discrete events affecting specific borrowers, and such differences could be material. Accordingly,

this number should be understood as an estimate, and the actual adjustment could vary if our modeling is incorrect.

Change in fair value of deferred purchase price liabilities - We were obligated to pay contingent consideration to sellers of acquired businesses based on future performance of acquired businesses, as well as realization of tax benefits from certain exchanges of Class A LLC Units into Class A Common Stock (the “TRA obligation”). The change in fair value of deferred purchase price liabilities represents gains or losses as a result of changes in various assumptions, including future performance, FOA stock price, timing and realization of tax benefits, and discount rates.

Change in fair value of Convertible Notes - We elected to account for the Convertible Notes at fair value under the fair value option. The change in fair value of Convertible Notes represents gains or losses as a result of changes in FOA stock price compared to the conversion price of the notes.

Amortization of the discount on senior notes - The senior secured notes (the “Senior Secured Notes”) and Exchangeable Secured Notes (collectively, the “Secured Notes”) were initially measured at fair value upon issuance. This adjustment represents the amortization of the discount resulting from the initial fair value measurement of the Secured Notes.

⁽²⁾ *Exchangeable Secured Notes interest expense* - This adjustment represents interest expense on our Exchangeable Secured Notes, excluding the amortization of the discount on the Exchangeable Secured Notes. The adjustment is presented net of the related income tax benefit, calculated using our effective combined federal and state corporate tax rate, if dilutive for adjusted earnings per share.

Liquidity and Capital Resources

FOA is a holding company and generally has no material assets other than its direct and indirect ownership of Class A LLC Units. FOA has no independent means of generating revenue. FOA Equity may make distributions to its holders of Class A LLC Units, including FOA, in an amount sufficient to cover all applicable taxes at assumed tax rates, payments under the TRA obligation, and dividends, if any, declared by FOA. Deterioration in the financial condition, earnings, or cash flow of FOA Equity and its subsidiaries for any reason could limit or impair FOA Equity’s ability to make such distributions. In addition, FOA Equity is generally prohibited under Delaware law from making a distribution to a member to the extent that, at the time of the distribution, after giving effect to the distribution, liabilities of FOA Equity (with certain exceptions) exceed the fair value of its assets. Subsidiaries of FOA Equity are generally subject to similar legal limitations on their ability to make distributions to FOA Equity. Further, our existing financing arrangements include, and any financing arrangement that we enter into in the future may include, restrictions that impact FOA Equity’s ability to make distributions to FOA.

Our cash flows from operations, borrowing availability, and overall liquidity are subject to risks and uncertainties. We may not be able to obtain additional liquidity on reasonable terms, or at all. Additionally, our liquidity and our ability to meet our obligations and fund our capital requirements are dependent on our future financial performance, which is subject to general economic, financial, and other factors that are beyond our control. Accordingly, our business may not generate sufficient cash flow from operations and future borrowings may not be available from additional indebtedness or otherwise to meet our liquidity needs. If we decide to pursue one or more significant acquisitions, we may incur additional debt or sell additional equity to finance such acquisitions, which could result in additional expenses or dilution.

Sources and Uses of Cash

Our primary sources of funds include: (i) proceeds from the sale or securitization of loans; (ii) payments received on our outstanding participating interests in loans; and (iii) advances on warehouse facilities, other secured borrowings, our various notes, and other financing transactions.

Our primary uses of funds include: (i) loan originations; (ii) funding of borrower advances and draws on outstanding loans; (iii) payment of operating expenses; and (iv) the repayment, repurchase, or redemption of outstanding indebtedness.

Our cash flow from operating activities when combined with net proceeds from our portfolio financing activities, as well as capacity through existing facilities, provide adequate resources to fund our anticipated ongoing cash requirements. We rely on these facilities to fund operating activities. As the facilities mature, management believes it will either renew existing facilities or obtain sufficient additional lines of credit. Future debt maturities will be

funded with cash and cash equivalents, cash flow from operating activities including portfolio investing and financing activities, and, if necessary, future access to capital markets. We continue to optimize the use of balance sheet cash to avoid unnecessary interest carrying costs.

Cash Flows

The following table presents amounts from our Condensed Consolidated Statements of Cash Flows (in thousands):

	Six months ended June 30,	
	2026	2025
Net cash provided by (used in):		
Operating activities	\$ (314,125)	\$ (188,555)
Investing activities	50,301	183,472
Financing activities	279,643	(60,226)
Effect of exchange rate changes on cash and cash equivalents	—	(7)
Net increase (decrease) in cash and cash equivalents and restricted cash	\$ 15,819	\$ (65,316)
Net decrease in cash and cash equivalents	\$ (4,225)	\$ (907)
Net increase (decrease) in restricted cash	20,044	(64,409)

Our cash and cash equivalents and restricted cash increased by \$15.8 million for the six months ended June 30, 2026 compared to a decrease of \$65.3 million during the comparable period in 2025. Our cash and cash equivalents, excluding restricted cash, decreased \$4.2 million for the six months ended June 30, 2026 compared to a decrease of \$0.9 million during the comparable period in 2025.

Operating Cash Flow

Cash flows from operating activities decreased by \$125.6 million for the six months ended June 30, 2026 compared to the corresponding 2025 period, which was primarily attributable to an increase in cash used for originations of loans held for sale, net of proceeds on sale.

Investing Cash Flow

The decrease of \$133.2 million in cash flows from our investing activities during the six months ended June 30, 2026 compared to the 2025 period was primarily attributable to a \$195.8 million decrease in proceeds/payments on loans held for investment, net of cash used for purchases and originations, and a \$91.8 million cash outlay for the OMC Transaction. This was partially offset by a \$152.6 million increase in proceeds/payments on loans held for investment, subject to nonrecourse debt, net of cash used for purchases and originations.

Financing Cash Flow

The increase of \$339.9 million in cash flows from our financing activities during the six months ended June 30, 2026 compared to the 2025 period was primarily driven by a \$564.0 million increase in proceeds from nonrecourse debt, net of payments, and a \$110.6 million decrease in payments on HMBS related obligations, net of proceeds. This was partially offset by a \$291.1 million increase in payments on other financing lines of credit, net of proceeds, \$41.6 million of cash used for the repurchase of Class A Common Stock and Class A LLC Units, and \$2.3 million of cash used for dividends paid on the Preferred Stock.

Financial Covenants

Our credit facilities contain various financial covenants, which primarily relate to required tangible net worth amounts, liquidity reserves, leverage ratios, and profitability. These covenants are measured at FAH or FAR. The Company was in compliance with the financial covenants as of June 30, 2026. Refer to Note 9 - Other Financing Lines of Credit in the Notes to Condensed Consolidated Financial Statements for additional information.

Compliance Requirements

As an issuer of HMBS, FAR is subject to minimum net worth, liquidity, and leverage requirements as well as minimum insurance coverage established and defined by Ginnie Mae as follows:

Minimum Net Worth

- \$5.0 million plus 1% of FAR's outstanding HMBS and unused commitment authority from Ginnie Mae.
- Adjusted net worth is defined as total equity less certain unacceptable assets, including affiliate receivables.

Minimum Liquidity

- Maintain liquid assets equal to at least 20% of the minimum net worth required for a HMBS issuer.

Minimum Leverage Ratio

- Maintain a ratio of adjusted net worth to total assets of at least 6%.

As of June 30, 2026, FAR was in compliance with the minimum net worth, liquidity, capitalization levels, and insurance requirements of Ginnie Mae. FAR's actual ratio of adjusted net worth to total assets was below the Ginnie Mae requirement due to the Company's determination that HECM loans transferred into HMBS as well as its HECM buyout and non-agency reverse mortgage loan securitizations do not meet the requirements of sale accounting and are not derecognized upon date of transfer. As a result, the Company accounts for HECM loans transferred into HMBS as well as its HECM buyout and non-agency reverse mortgage loan securitizations as secured borrowings and continues to recognize the loans as held for investment, subject to HMBS related obligations or nonrecourse debt, along with the corresponding liability for the HMBS related obligations or nonrecourse debt. Based on this, FAR requested and received a waiver for the minimum outstanding capital requirements from Ginnie Mae. Therefore, FAR was in compliance with all Ginnie Mae requirements.

In addition, FAR is required to maintain both fidelity bond and errors and omissions insurance coverage at tiered levels based on the aggregate UPB of the loans serviced by FAR throughout the year. FAR is required to conduct compliance testing at least quarterly to ensure compliance with the foregoing requirements. As of June 30, 2026, FAR was in compliance with applicable requirements.

Refer to Note 14 - Liquidity and Capital Requirements in the Notes to Condensed Consolidated Financial Statements for additional information.

Summary of Certain Indebtedness

The following description is a summary of certain material provisions of our outstanding indebtedness. As of June 30, 2026, our total debt obligations were \$36.8 billion. This summary does not restate the terms of our outstanding indebtedness in its entirety, nor does it describe all of the material terms of our indebtedness.

HMBS Related Obligations

FAR is an approved issuer of HMBS that are guaranteed by Ginnie Mae and collateralized by participation interests in HECM loans insured by the FHA. We originate HECM loans insured by the FHA. Participations in the HECM loans are pooled into HMBS, which are sold into the secondary market with servicing rights retained. We have determined that loan transfers in the HMBS program do not meet the participating interest requirements because of the servicing requirements in the product that require the issuer/servicer to absorb some level of interest rate risk, cash flow timing risk, and incidental credit risk due to the buyout of HECM assets as discussed below. As a result, the transfers of the HECM loans do not qualify for sale accounting, and therefore, we account for these transfers as secured financings. Holders of participating interests in the HMBS have no recourse against assets other than the underlying HECM loans, remittances, or collateral on those loans while they are in the securitization pools, except for standard representations and warranties and our contractual obligation to service the HECM loans and the HMBS.

Remittances received on the reverse mortgage loans, proceeds received from the sale of real estate owned, and our funds used to repurchase reverse mortgage loans are used to reduce the HMBS related obligations by making payments to the securitization pools, which then remit the payments to the beneficial interest holders of the HMBS. The maturity of the HMBS related obligations is directly affected by the liquidation of the reverse mortgage loans and real estate owned properties, as well as by events of default stipulated in the reverse mortgage loan agreements with borrowers. As an HMBS issuer, FAR assumes certain obligations related to each security it issues. The most significant obligation is the requirement to purchase loans out of the Ginnie Mae securitization pools once they

reach the maximum UPB limits that were established at loan origination. Performing repurchased loans are generally conveyed to HUD, and nonperforming repurchased loans are generally liquidated in accordance with program requirements.

As of June 30, 2026, we had HMBS related obligations of \$24.7 billion and HECM loans pledged as collateral to the pools of \$25.0 billion, both recorded at fair value.

Additionally, as the servicer of reverse mortgage loans, we are obligated to fund additional borrowing capacity primarily in the form of undrawn lines of credit on floating rate reverse mortgage loans. We rely upon certain of our secured financing arrangements and our operating cash flows to fund these additional borrowings on a short-term basis prior to securitization. The additional borrowings are generally securitized within 30 days after funding. The obligation to fund these additional borrowings could have a significant impact on our liquidity.

Nonrecourse Debt

We securitize and issue interests in pools of loans that are not eligible for the Ginnie Mae securitization program, which include non-agency reverse mortgage loans and HECM buyouts. The transactions provide investors with the ability to invest in these pools of assets. The transactions provide us with access to liquidity for these assets, ongoing servicing fees, and potential residual returns for the residual securities we retain at the time of securitization. The transactions are structured as secured borrowings, with the loan assets and liabilities included in the Condensed Consolidated Statements of Financial Condition as Loans held for investment, subject to nonrecourse debt, at fair value, and Nonrecourse debt, at fair value, respectively. As of June 30, 2026, we had nonrecourse debt-related borrowings of \$10.6 billion and loans held for investment pledged as collateral for the nonrecourse debt of \$10.9 billion, both recorded at fair value.

Refer to Note 8 - Nonrecourse Debt, at Fair Value, in the Notes to Condensed Consolidated Financial Statements for additional information.

Other Financing Lines of Credit

Mortgage Warehouse Facilities

As of June 30, 2026, we had \$1.0 billion in warehouse lines of credit capacity primarily collateralized by first and second lien mortgages, with a \$507.9 million aggregate principal amount drawn through nine funding facility arrangements with eight active lenders. These facilities are generally structured as master repurchase agreements under which ownership of the related eligible loans is temporarily transferred to a lender, as participation arrangements pursuant to which the lender acquires a participation interest in the related eligible loans, or as loan and security agreements under which eligible loans are pledged to the lender as collateral. The funds advanced to us are generally repaid using the proceeds from the sale or securitization of the loans to, or pursuant to, programs sponsored by Ginnie Mae or private secondary market investors, although prior payment may be required based on, among other things, certain breaches of representations and warranties or other events of default.

When we draw on these facilities, we are generally required to transfer and/or pledge eligible mortgage loans to the lender and comply with various financial and other covenants. The facilities generally have one-year maturity terms. Borrowings under these facilities are typically advanced at rates below the principal balance of the underlying loans (the “haircut”), which serves as the primary credit enhancement for the lender. Since the advances to us are generally for less than 100% of the principal balance of the mortgage loans, we are required to use working capital to fund the remaining portion of the principal balance of the loans. Upon expiration, management believes it will either renew its existing facilities or obtain sufficient additional lines of credit. The interest rate on all outstanding facilities is the Secured Overnight Financing Rate, plus applicable margin.

The following table presents additional information about our warehouse facilities as of June 30, 2026 (in thousands):

Warehouse Facilities	Maturity Date	Total Capacity	Outstanding Balance
Committed	September 2026 - June 2027	\$ 350,000	\$ 266,072
Uncommitted	August 2026 - June 2027	655,000	241,868
Total warehouse facilities		\$ 1,005,000	\$ 507,940

With respect to each of our warehouse facilities, we pay certain up-front and/or ongoing fees which can be based on our utilization of the facility. In certain instances, loans held by a lender beyond a contractual period, which

generally ranges from 45 to 60 days from the date of origination, are subject to additional fees and increased interest rates.

Certain of our warehouse facilities contain sub-limits for “wet” loans, which allow us to finance loans for a minimal period of time prior to delivery of the note collateral to the lender. “Wet” loans are loans for which the collateral custodian has not yet received the related loan documentation. “Dry” loans are loans for which all the loan documentation has been delivered to the collateral custodian. “Wet” loans are held by a lender for a contractual period, typically between five and ten business days, and are subject to a reduction in the advance amount.

Interest is generally payable at the time the loan is settled off the line or monthly in arrears, and the principal is payable upon receipt of loan sale or securitization proceeds, upon transfer of a loan to another line of credit, or upon maturity of the facility. The facilities may also require the outstanding principal to be repaid if a loan remains on the line longer than a contractual period of time, which generally ranges from 45 to 365 calendar days.

Loans financed under certain of our warehouse facilities are subject to changes in fair value and margin calls. The fair value of our loans depends on a variety of economic conditions, including interest rates and market demand for loans. Under certain facilities, if the fair value of the underlying loans declines below the outstanding asset balance on such loans or if the UPB of such loans falls below a threshold related to the repurchase price for such loans, we could be required to (i) repay cash in an amount that cures the margin deficit or (ii) supply additional eligible assets or rights as collateral for the underlying loans to compensate for the margin deficit. Certain warehouse facilities allow for the remittance of cash back to us if the value of the loan exceeds the principal balance.

Our warehouse facilities require our borrowing subsidiaries to comply with various customary operating and financial covenants, including, without limitation, the following tests:

- minimum tangible or adjusted tangible net worth;
- minimum liquidity or minimum liquid assets;
- maximum leverage ratio of total liabilities (which may include off-balance sheet liabilities) or indebtedness to tangible or adjusted tangible net worth; and
- minimum profitability.

In the event we fail to comply with the covenants contained in any of our warehouse lines of credit, or otherwise were to default under the terms of such agreements, we may be restricted from paying dividends, reducing or retiring our equity interests, making investments, or incurring more debt.

Other Secured Lines of Credit

As of June 30, 2026, we collectively had \$650.5 million in additional secured facilities with \$546.8 million aggregate principal amount drawn through credit agreements or master repurchase agreements with seven funding facility arrangements and five active lenders. These facilities are secured by, among other things, eligible asset-backed securities, HECM MSR, and unsecuritized tails. In certain instances, these assets are subject to existing first lien warehouse financing, in which case these facilities (i.e., mezzanine facilities) are secured by the equity in these assets exceeding first lien warehouse financing. These facilities are generally structured as master repurchase agreements under which ownership of the related eligible assets is temporarily transferred to a lender. The funds advanced to us are generally repaid using the proceeds from the sale or securitization of the underlying assets or distribution from underlying securities, although prior payment may be required based on, among other things, certain breaches of representations and warranties or other events of default.

When we draw on these facilities, we are generally required to transfer and pledge eligible assets to the lender and comply with various financial and other covenants. Under the facilities, we generally transfer the assets at a haircut, which serves as the primary credit enhancement for the lender.

The following table presents additional information about our other secured lines of credit as of June 30, 2026 (in thousands):

Other Secured Lines of Credit	Maturity Date	Total Capacity	Outstanding Balance
Committed	Various ⁽¹⁾	\$ 540,526	\$ 506,680
Uncommitted	October 2026 - March 2027	110,000	40,146
Total other secured lines of credit		\$ 650,526	\$ 546,826

⁽¹⁾ These lines of credit are tied to the maturity date of the underlying mortgage related assets or HECM MSR that have been pledged as collateral.

We pay certain up-front and ongoing fees based on our utilization with respect to many of these facilities. We pay commitment fees based upon the limit of the facility and unused fees are paid if utilization falls below a certain amount.

Interest is generally payable at the time the loan or securities are settled off the line or monthly in arrears, and the principal is payable upon receipt of asset sale or securitization proceeds, upon principal distributions on the underlying pledged securities, upon transfer of assets to another line of credit, or upon maturity of the facility.

Under these facilities, we are generally required to comply with various customary operating and financial covenants. The financial covenants are similar to those under the warehouse lines of credit. The Company was in compliance with all financial covenants as of June 30, 2026.

Refer to Note 9 - Other Financing Lines of Credit in the Notes to Condensed Consolidated Financial Statements for additional information.

Notes Payable

The following table presents the principal amount and other information related to our notes payable as of June 30, 2026 (dollars in thousands):

Description	Maturity Date	Interest Rate	Principal Amount
Senior Secured Notes	November 2026 ⁽¹⁾	8.875% ⁽¹⁾	\$ 150,754
Exchangeable Secured Notes	November 2029	10.000%	146,793
Convertible Notes	August 2028	0.000%	40,000
LFH Promissory Note	August 2026	10.000%	20,000
Total principal amount of notes payable			\$ 357,547

⁽¹⁾ As discussed in the Senior Secured Notes section below, the Company may extend a portion of the principal amount to the extended maturity date of November 30, 2027.

Senior Secured Notes

FOAF is required to repay an aggregate principal amount of \$60 million of the Senior Secured Notes on November 30, 2026 (the “Scheduled Maturity Date”). FOAF may extend the maturity date of the remaining principal amount to November 30, 2027 (the “Extended Maturity Date”). The Senior Secured Notes bear interest at a rate of 8.875% per annum through the Scheduled Maturity Date. If FOAF elects to extend the maturity date, the remaining principal amount will bear interest at a rate of 9.875% per annum from the Scheduled Maturity Date through the Extended Maturity Date. Interest is payable semi-annually in arrears on May 30 and November 30 of each year.

Exchangeable Secured Notes

The Exchangeable Secured Notes will mature on November 30, 2029 and bear interest at a rate of 10.000% per annum, payable semi-annually in arrears on May 30 and November 30 of each year. The Exchangeable Secured Notes are exchangeable into shares of the Company’s Class A Common Stock. The exchange rate is initially 36.36364 shares of Class A Common Stock per \$1,000 principal amount of Exchangeable Secured Notes, which is equivalent to an initial exchange price of \$27.50 per share of Class A Common Stock. Holders of the Exchangeable Secured Notes have the right to exchange all or any portion of their Exchangeable Secured Notes at their option, at any time prior to the close of business on the second scheduled trading day immediately preceding November 30, 2029. The Exchangeable Secured Notes will not be redeemable at FOAF’s option at any time, except in certain limited circumstances.

Convertible Notes

The Convertible Notes mature on August 4, 2028, have a 0% coupon rate, and are convertible, in whole or in part, at the option of the Company or the holder, into shares of Class A Common Stock at a conversion price of \$18.00 per share through August 4, 2026 and \$19.00 per share thereafter, in each case, subject to customary adjustments. If neither the Company nor the holder elects to convert the Convertible Notes, the \$40 million principal amount will be payable at maturity.

LFH Promissory Note

FAR has an unsecured revolving working capital promissory note with Libman Family Holdings, LLC (the “LFH Promissory Note”), an affiliate of the Company, which provides for an uncommitted revolving facility of up to \$20.0 million. The LFH Promissory Note accrues interest at a rate of 10% per annum. On August 4, 2026, the LFH Promissory Note was amended and restated to extend its maturity date from August 4, 2026 to August 4, 2027. Refer to Note 17 - Subsequent Events in the Notes to Condensed Consolidated Financial Statements for additional information.

As of June 30, 2026, the Company was in compliance with all required covenants of our notes payable.

Refer to Note 15 - Related Party Transactions in the Notes to Condensed Consolidated Financial Statements for additional information.

Contractual Obligations and Commitments

The following table presents our contractual obligations as of June 30, 2026 (in thousands):

	Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
Contractual cash obligations:					
Nonrecourse debt	\$ 10,995,493	\$ 2,715,528	\$ 2,301,941	\$ 2,185,504	\$ 3,792,520
Warehouse lines of credit	507,940	507,940	—	—	—
Other secured lines of credit	546,826	90,146	46,154	—	410,526
Notes payable ⁽¹⁾	357,547	170,754	40,000	146,793	—
Operating leases	29,723	5,266	7,930	6,746	9,781
Total	\$ 12,437,529	\$ 3,489,634	\$ 2,396,025	\$ 2,339,043	\$ 4,212,827

⁽¹⁾ Amounts represent principal balances and exclude unamortized debt discount and issuance costs, as well as fair value adjustments related to the Convertible Notes. The Company may extend the maturity date of a portion of the \$150.8 million principal balance of the Senior Secured Notes to November 30, 2027. In addition, subsequent to June 30, 2026, the LFH Promissory Note was amended and restated to extend its maturity date from August 4, 2026 to August 4, 2027. Refer to Note 17 - Subsequent Events in the Notes to Condensed Consolidated Financial Statements for additional information.

In addition to the contractual obligations above, we have also been involved in securitizations of HECM loans that were structured as secured borrowings. These structures resulted in us recording the securitized loans in the Condensed Consolidated Statements of Financial Condition and recognizing the asset-backed certificates acquired by third parties as HMBS related obligations. The timing of the principal payments on this nonrecourse debt depends on the payments received on the underlying mortgage loans and the liquidation of real estate owned properties. The outstanding principal balance of loans held for investment, subject to HMBS related obligations, was \$23.4 billion as of June 30, 2026.

The Company’s TRA obligation will require payments to be made that may be significant and are not reflected in the contractual obligations table above.

We are also required to fund borrower draws on certain loans. These unfunded commitments are not included in the table above. Refer to Note 11 - Commitments and Contingencies in the Notes to Condensed Consolidated Financial Statements for additional information.

Critical Accounting Estimates

For a description of our critical accounting estimates, see the 2025 Form 10-K filed with the SEC on March 13, 2026.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our principal market risk is interest rate risk, primarily to changes in long-term U.S. Treasury rates and mortgage interest rates due to their impact on mortgage-related assets. Changes in short-term interest rates will also have an impact on our financing lines of credit.

Interest Rate Risk

Changes in interest rates will, in general, impact our operating segments as follows:

Retirement Solutions

- an increase in prevailing interest rates could adversely affect our loan origination volume as new loans or refinancing an existing loan will be less attractive to borrowers.

Portfolio Management

- an increase in interest rates could generate an increase in delinquency, default, and foreclosure rates resulting in an increase in both servicing costs and interest expense on our outstanding debt.
- an increase in interest rates will lead to a higher cost of funds on our financing lines of credit.
- an increase in interest rates and market spreads may cause a reduction in the fair value of our long-term assets.
- a decrease in interest rates may increase prepayment speeds of our long-term assets which could lead to a reduction in the fair value of our long-term assets.

Earnings on our held for investment assets depend largely on our interest rate spread, represented by the relationship between the yield on our interest-earning assets, primarily securitized assets, and the cost of our interest-bearing liabilities, primarily securitized borrowings. Interest rate spreads are impacted by several factors, including forward interest rates, general economic factors, and the quality of the loans in our portfolio.

Sensitivity Analysis

We utilize a sensitivity analysis to assess our market risk associated with changes in interest rates. This sensitivity analysis attempts to assess the potential impact to earnings based on hypothetical changes in interest rates.

We estimate the fair value of the outstanding mortgage loans and related liabilities using a process that combines the use of a DCF model and analysis of current market data. The cash flow assumptions used in the model are based on various factors. Refer to Note 5 - Fair Value in the Notes to Condensed Consolidated Financial Statements for additional information regarding the key inputs, assumptions, and valuation techniques utilized to measure fair value.

Our total market risk is impacted by a variety of other factors including market spreads and the liquidity of the markets. There are certain limitations inherent in the sensitivity analysis presented, including the necessity to conduct the analysis based on a single point in time.

The sensitivities presented are hypothetical and should be evaluated with care. The effect on fair value of a 25 bps variation in assumptions generally cannot be determined because the relationship of the change in assumptions to the fair value may not be linear. Additionally, the impact of a variation in a particular assumption on the fair value is calculated while holding other assumptions constant. In reality, changes in one factor may lead to changes in other factors, which could impact the hypothetical effects.

The following table presents the estimated change in the fair value of our significant assets and liabilities sensitive to interest rates as of June 30, 2026 (in thousands):

	Down 25 bps	Up 25 bps
Increase (decrease) in assets		
Loans held for investment, subject to HMBS related obligations	\$ 37,678	\$ (37,479)
Loans held for investment, subject to nonrecourse debt	162,623	(158,953)
Loans held for investment	3,848	(3,767)
Total assets	\$ 204,149	\$ (200,199)
Increase (decrease) in liabilities		
HMBS related obligations	\$ 33,325	\$ (33,037)
Nonrecourse debt	123,604	(123,666)
Total liabilities	\$ 156,929	\$ (156,703)

Item 4. Controls and Procedures

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

We do not expect that our disclosure controls and procedures will prevent all errors and all instances of fraud. Disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Further, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and the benefits must be considered relative to their costs. Because of the inherent limitations in all disclosure controls and procedures, no evaluation of disclosure controls and procedures can provide absolute assurance that we have detected all of our control deficiencies and instances of fraud, if any. The design of disclosure controls and procedures also is based partly on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Form 10-Q. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of June 30, 2026.

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended June 30, 2026, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part II - Other Information

Item 1. Legal Proceedings

The information required with respect to this Part II, Item 1 can be found under Note 10 - Litigation in the Notes to Condensed Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q and such information is incorporated by reference into this Item 1.

Item 1A. Risk Factors

In addition to the other information included in this Form 10-Q, you should carefully consider the factors discussed in “Part I, Item 1A. Risk Factors” included in the 2025 Form 10-K, as well as the factors identified under “Forward-Looking Statements” prior to the beginning of Part I, Item 1 of this Form 10-Q and the items identified in “Other Recent Events” within Part I, Item 2 of this Form 10-Q and as may be updated in subsequent filings with the SEC, which could materially affect the Company’s business, financial condition, or future results. The risks described in the 2025 Form 10-K and this Form 10-Q are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially adversely affect our business, financial condition, or operating results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

A&R LFH Promissory Note

On August 4, 2026, FAR entered into an amended and restated version of the LFH Promissory Note (the “A&R LFH Promissory Note”) with LFH. The A&R LFH Promissory Note provides for an uncommitted revolving facility of up to \$20.0 million, provided that FAR can request that LFH grant a one-time temporary (not greater than 90 days) increase in the facility size by an amount no greater than \$30.0 million (resulting in an uncommitted revolving facility of up to \$50.0 million). The A&R LFH Promissory Note accrues interest at a rate of 10% per annum and matures on August 4, 2027. The A&R LFH Promissory Note contains certain covenants and customary events of default.

Second Amended and Restated Bylaws

As disclosed in our Current Report on Form 8-K, filed on August 3, 2026, on July 31, 2026, the Company’s Second Amended and Restated Bylaws (the “A&R Bylaws”) became effective, as approved by the Company’s Board of Directors. Among other items, including technical changes, the A&R Bylaws reflect recent developments and clarifying revisions related to Delaware law and the federal securities laws (including with respect to stockholder proposals and meetings). The A&R Bylaws update the procedural and disclosure requirements for stockholder nominations of directors or proposals of other business at the Company’s meetings of stockholders (including both annual and special meetings of stockholders) under the Company’s advance notice provisions, including, without limitation, (i) incorporating universal proxy card rules pursuant to Rule 14a-19 under the Securities Exchange Act of 1934, as amended, (ii) requiring additional representations of stockholders nominating a director or proposing business, requiring additional information to be included in such stockholders’ notices and requiring such stockholders to make certain agreements, and (iii) in the case of director nominations, requiring additional information about director nominees to be included in stockholders’ notices, requiring director nominees to complete a questionnaire with respect to such director nominee’s background, qualification and independence, and requiring director nominees to make certain representations and agreements.

The foregoing description of the A&R Bylaws does not purport to be complete and is qualified in its entirety by reference to the full text of the A&R Bylaws, a copy of which is included as Exhibit 3.3 to this Form 10-Q and is incorporated herein by reference.

Trading Plans

During the quarter ended June 30, 2026, none of our directors or Section 16 officers informed us of the adoption, modification, or termination of a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (in each case, as defined in Item 408(a) of Regulation S-K).

Item 6. Exhibits

Exhibit Number	Description	Incorporated by Reference			Filed or Furnished Herewith
		Form	Exhibit	Filing Date	
2.1	Transaction Agreement, dated as of October 12, 2020, by and among Replay Acquisition Corp., Finance of America Equity Capital LLC, Finance of America Companies Inc., RPLY Merger Sub LLC, RPLY BLKR Merger Sub LLC, Blackstone Tactical Opportunities Fund (Urban Feeder) – NQ L.P., Blackstone Tactical Opportunities Associates – NQ L.L.C., the Sellers identified therein, and the Seller Representatives identified therein.	8-K	2.1	4/7/2021	
2.2	Letter Agreement, dated April 1, 2021, by and among the Seller Representatives identified therein and Replay Acquisition Corp.	8-K	2.2	4/7/2021	
2.3	Letter Agreement, dated April 5, 2021, by and among the Seller Representatives identified therein, Replay Acquisition LLC, and Finance of America Equity Capital LLC.	8-K	2.3	4/7/2021	
2.4	Letter Agreement, dated March 31, 2021, by and among Libman Family Holdings, LLC, The Mortgage Opportunity Group LLC, BTO Urban Holdings L.L.C., BTO Urban Holdings II L.P., and Blackstone Family Tactical Opportunities Investment Partnership – NQ – ESC L.P.	8-K	2.4	4/7/2021	
3.1	Second Amended and Restated Certificate of Incorporation of Finance of America Companies Inc.	8-K	3.1	8/3/2026	
3.2	Certificate of Designations of Series A Convertible Perpetual Preferred Stock of Finance of America Companies Inc. (included as Annex A to Exhibit 3.1).	8-K	3.1	8/3/2026	
3.3	Second Amended and Restated Bylaws of Finance of America Companies Inc.	8-K	3.2	8/3/2026	
10.1†	Letter Agreement No. 1, dated April 30, 2026, by and between Onity Mortgage Corporation (f/k/a PHH Mortgage Corporation) and Finance of America Reverse LLC.				X
10.2	Third Amended and Restated Limited Liability Company Agreement, dated as of July 31, 2026, of Finance of America Equity Capital LLC.	8-K	10.1	8/3/2026	
31.1	Certificate of Graham A. Fleming, Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.2	Certificate of Matthew A. Engel, Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
32.1	Certificate of Graham A. Fleming, Chief Executive Officer, pursuant to Section 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X

32.2	Certificate of Matthew A. Engel, Chief Financial Officer, pursuant to Section 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				X
101.SCH	Inline XBRL Taxonomy Extension Schema Document.				X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.				X
101.DEF	Inline XBRL Taxonomy Definition Linkbase Document.				X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.				X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.				X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).				X
†	Confidential portions have been omitted.				

Certain agreements and other documents filed as exhibits to this Form 10-Q contain representations and warranties that the parties thereto made to each other. These representations and warranties have been made solely for the benefit of the other parties to such agreements and may have been qualified by certain information that has been disclosed to the other parties to such agreements and other documents and that may not be reflected in such agreements and other documents. In addition, these representations and warranties may be intended as a way of allocating risks among parties if the statements contained therein prove to be incorrect, rather than as actual statements of fact. Accordingly, there can be no reliance on any such representations and warranties as characterizations of the actual state of facts. Moreover, information concerning the subject matter of any such representations and warranties may have changed since the date of such agreements and other documents.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 7, 2026

Finance of America Companies Inc.

By: /s/ Matthew A. Engel

Matthew A. Engel

Chief Financial Officer

(Principal Financial Officer)

Certain information marked “[]” has been omitted in accordance with Item 601(b)(10) of Regulation S-K because it is both not material and is the type of information that the registrant treats as private or confidential.*

LETTER AGREEMENT No. 1

April 30, 2026

Finance of America Reverse LLC
55 North Arizona Place Suite 205
Chandler, Arizona 85225
Attention: [*]

Finance of America Reverse LLC
5830 Granite Parkway, Suite 400
Plano, Texas 75024
Attention: Legal

Re: Sale of Purchased Assets; Employee Transitions

Ladies and Gentlemen:

Reference is made to that certain Asset Purchase Agreement dated as of November 17, 2025, by and between Finance of America Reverse LLC (“Purchaser”) and Onity Mortgage Corporation (f/k/a PHH Mortgage Corporation) (“Seller”) (the “APA”) and that certain Reverse Mortgage Servicing Rights Purchase and Sale Agreement dated as of November 17, 2025, by and between Purchaser and Seller (the “MSRPSA” and, together with the APA, the “Transaction Agreements”). Except as described in Section 2 below or as otherwise specified, all capitalized terms not defined in this Letter Agreement No. 1 (the “Letter Agreement”) shall have the meaning ascribed to them in the APA or MSRPSA, as applicable.

Pursuant to the Transaction Agreements, Seller intended to sell, and Purchaser intended to purchase, the Purchased MSR Assets. Approval from Ginnie Mae is a condition to such purchase and sale pursuant to the MSRPSA. In order to accommodate certain requests by Ginnie Mae related to such approval, the Parties have agreed to enter into this Letter Agreement to effect the sale by Seller, and purchase by Purchaser, of a defined subset of the Purchased MSR Assets, in accordance with the terms and conditions set forth in the Transaction Agreements (as may be modified by this Letter Agreement). The Parties wish to document their revised agreement with respect to the transfer of employment of the Continuing Employees prior to the Closing Date.

The Parties hereby amend the Transaction Agreements as follows:

1. **Sale of Purchased MSR Assets.** The “Revised Purchased MSR Assets” means the (i) Servicing Rights and (ii) all Advances related to the Mortgage Loans set forth on Schedule A attached hereto. The parties acknowledge that Schedule A as attached hereto reflects the applicable assets as of February 28, 2026. The parties hereto may update the contents of Schedule A from time to time to reflect different or additional assets upon mutual consent of the parties.

a. On the terms and subject to the conditions of the Transaction Agreements and this Letter Agreement, on the Closing Date, in exchange for payment of the portion of the MSR Purchase Price that is due on the Closing Date by the Purchaser to the Seller pursuant to Section 2.5 of the APA, Seller shall sell, assign, transfer and convey to Purchaser, and Purchaser shall purchase and acquire from the Seller, all of such Seller's beneficial right, title and interest in and to the Revised Purchased MSR Assets, free and clear of Liens (other than Permitted Liens and any Liens created by or under Applicable Requirements);

b. For purposes of the sale and purchase of the Revised Purchased MSR Assets, each reference to the "Purchased MSR Assets" in the Transaction Documents, and any Ancillary Agreements, as applicable, shall be hereby replaced with references to the Revised Purchased MSR Assets.

2. **Revised Book Value Methodology.** The term "Purchased Assets Book Value" in the APA shall be deleted and replaced in its entirety with the following:

- a. **"Purchased Assets Book Value"** means the total book value of the Purchased Assets (excluding goodwill), provided that the Parties agree that Purchased Assets Book Value shall be calculated: (i) as if the Contemplated Transactions had not occurred, and (ii) with the value of (x) Purchased MSR Assets and (y) all Purchased Mortgage Loans (net of HMBS obligations) and related Mortgage Loan assets including, without limitation, receivables and Advances, each being determined based on the value of such assets as reflected on Seller's balance sheet in accordance with GAAP and consistent with the methodology applied in the audited financial statements of the Seller (in each case, taking into account fluctuations in interest rates and related adjustments to book value between the date hereof and the Closing); provided, that, with respect to the Purchased MSR Assets, Seller's balance sheet book value described in this clause (ii) shall be further reduced by \$[*]. For the avoidance of doubt, with regard to any Deferred Mortgage Loans included in the Purchased Assets, the amount included in this calculation, for purposes of determination of the Final Purchase Price, shall be the total book value of the Deferred Mortgage Loans (including related Advances) as of the applicable Deferred MLPA Closing Date as determined in accordance with GAAP and consistent with the methodology applied in the audited financial statements of Seller.

3. **Non-Competition:** For the avoidance of doubt, the parties agree that the provisions of Section 4.4(b) of the APA shall not be deemed to [*].

4. **Employees.** The Parties acknowledge that Purchaser has made offers to certain of the Business Employees that Purchaser desires to become Continuing Employees pursuant to Section 4.6 of the APA. Notwithstanding anything to the contrary in the APA, the Parties agree that (a) those Business Employees comprising the sales or production staff will become Continuing Employees effective on or about May 11, 2026 and (b) all other Business Employees will become Continuing Employees effective on or about July 1, 2026. This Section 4 of this Letter Agreement will survive termination of the APA or Letter Agreement.

5. **Outside Date.** The Parties hereby acknowledge and agree that Section 8.1(d) of the APA is hereby deleted and replaced in its entirety with the following:

- a. (d) at any time after August 1, 2026 (the “**Outside Date**”) by Seller or the Purchaser, if Closing has not occurred, unless the failure to consummate the Closing is the result of a breach by the Party seeking to terminate this Agreement of its representations, warranties or covenants under this Agreement, the MSR PSA or the MLPA;

6. **Governing Law of the Transaction Agreements.** In Section 9.8(a) of the APA, the words “the State of Delaware” are hereby deleted and replaced with “the State of New York”.

7. **Notices.** Any communications or notices provided for in this Letter shall be sent pursuant to Section 9.7 of the APA.

8. **Amendments and Waivers.** No amendment, modification or supplement of any provision of this Letter Agreement shall be valid unless the same shall be in writing and signed by Purchaser and Seller. No waiver by any Party of any provision of this Letter Agreement or any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be valid unless the same shall be in writing and signed by the Party making such waiver nor shall such waiver be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

9. **Limited Effect.** Except as amended hereby, the Transaction Agreements shall continue in full force and effect in accordance with the terms thereof. Reference to this Letter Agreement need not be made in the Transaction Agreements or any instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect to, the Transaction Agreements, any reference in any of such items to the applicable Transaction Agreement being sufficient to refer to such Transaction Agreement as amended hereby. For the avoidance of doubt, except as expressly modified hereby, this Letter Agreement shall not be interpreted or construed as a waiver, amendment or modification of or to the rights and remedies of the Parties set forth in the Transaction Agreements.

10. **Governing Law; Jurisdiction and Venue.**

- a. This Letter Agreement shall be governed by and construed in accordance with the domestic laws of the State of New York without giving effect to any choice or conflict of law provision or rule that would cause the application of the Applicable Laws of any jurisdiction other than the State of New York.
 - b. For purposes of this Letter Agreement, each Party agrees: (a) to submit to the exclusive jurisdiction of the Specified Courts for any Proceeding arising out of or relating to this Letter Agreement; (b) to commence any Proceeding arising out of or relating to this Letter Agreement only in the Specified Courts; (c) that service of any process, summons, notice or document by U.S. registered mail to the address of such Party set forth in the Section 9.7 of the APA will be effective service of process for any Proceeding brought against such Party in any of the Specified Courts; (d) to waive any objection to the laying of venue of any Proceeding arising out of or relating to this
-

Letter Agreement in the Specified Courts; and (e) to waive and not to plead or claim that any such Proceeding brought in any of the Specified Courts has been brought in an inconvenient forum.

11. **Entire Agreement.** This Letter Agreement, the Transaction Agreements and any Ancillary Agreements constitute the entire agreement among the Parties and supersede any prior understandings, agreements or representations by or among the Parties, written or oral, to the extent they relate to the subject matter hereof.

12. **Counterparts.** This Letter Agreement may be executed in one or more counterparts (including by means of portable document format), each of which shall be deemed an original but all of which together will constitute one and the same instrument.

13. **Incorporation by Reference.** Section 9.4, Section 9.10, Section 9.11, Section 9.12, Section 9.13 and Section 9.15 of the APA are incorporated herein by reference, mutatis mutandis.

[Signatures to follow]

Do not hesitate to contact me should you have any questions regarding this Letter Agreement. Please evidence your agreement with the foregoing by executing this Letter Agreement as indicated below.

Sincerely,

Onity Mortgage Corporation (f/k/a PHH Mortgage Corporation)

By: /s/ Aaron D. Wade
Name: Aaron D. Wade
Title: Chief Investment Officer

Acknowledged and Agreed:

Finance of America Reverse LLC

By: /s/ Graham Fleming
Name: Graham Fleming
Title: Chief Administrative Officer

[Signature Page to Letter Agreement]

Schedule A
Revised Purchased MSR Assets

[*]

Schedule A - 1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Graham A. Fleming, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2026 of Finance of America Companies Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2026

/s/ Graham A. Fleming

Graham A. Fleming

Chief Executive Officer

(Principal Executive Officer)

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Matthew A. Engel, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2026 of Finance of America Companies Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2026

/s/ Matthew A. Engel
Matthew A. Engel
Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY
ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Finance of America Companies Inc. (the “Company”) for the quarterly period ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Graham A. Fleming, Chief Executive Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2026

/s/ Graham A. Fleming

Graham A. Fleming

Chief Executive Officer

(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY
ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Finance of America Companies Inc. (the “Company”) for the quarterly period ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Matthew A. Engel, Chief Financial Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2026

/s/ Matthew A. Engel

Matthew A. Engel

Chief Financial Officer

(Principal Financial Officer)