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 September 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	**85-3474065**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
5830 Granite Parkway, Suite 400 Plano, Texas	**75024**
(Address of principal executive offices)	(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 November 3, 2026, 9,223,038 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.

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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 September 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)

	September 30, 2026	December 31, 2025
	(unaudited)	
ASSETS		
Cash and cash equivalents	**$ 118,385**	$ 89,503
Restricted cash	**682,622**	235,143
Loans held for investment, subject to Home Equity Conversion Mortgage-Backed Securities ("HMBS") related obligations, at fair value	**25,157,687**	19,135,403
Loans held for investment, subject to nonrecourse debt, at fair value	**10,685,569**	10,026,177
Loans held for investment, at fair value	**525,374**	870,081
Intangible assets, net	**151,723**	179,615
Other assets, net (includes **$252,069** and $76,146 at fair value)	**409,825**	197,376
TOTAL ASSETS	**$ 37,731,185**	$ 30,733,298
LIABILITIES AND EQUITY		
HMBS related obligations, at fair value	**$ 24,848,685**	$ 18,912,226
Nonrecourse debt, at fair value	**10,866,225**	9,736,493
Other financing lines of credit	**1,272,254**	1,187,699
Notes payable (includes **$23,284** and $53,800 at fair value, and includes **$87,126** due to a related party as of both September 30, 2026 and December 31, 2025)	**314,188**	329,929
Payables and other liabilities (includes **$1,782** and $12,547 at fair value)	**122,837**	130,729
Repurchase agreement obligation, at fair value	**—**	40,595
TOTAL LIABILITIES	**37,424,189**	30,337,671
Commitments and Contingencies (Note 10)		
EQUITY		
Preferred Stock, $0.0001 par value; **600,000,000** shares authorized; **50,000** shares issued and outstanding as of both September 30, 2026 and December 31, 2025	**—**	—
Class A Common Stock, $0.0001 par value; **5,951,000,000** and 6,000,000,000 shares authorized; **9,643,806** and 9,921,336 shares issued, and **9,217,956** and 7,899,344 shares outstanding	**1**	1
Class B Common Stock, $0.0001 par value; **50,000,000** and 1,000,000 shares authorized; **8,088,934** and 14 shares issued, and **8,088,934** and 12 shares outstanding	**1**	—
Additional paid-in capital	**990,361**	977,816
Accumulated deficit	**(681,254)**	(653,660)
Accumulated other comprehensive loss	**(285)**	(285)
Noncontrolling interest	**(1,828)**	71,755
TOTAL EQUITY	**306,996**	395,627
TOTAL LIABILITIES AND EQUITY	**$ 37,731,185**	$ 30,733,298

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited)

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.

	September 30, 2026	December 31, 2025
ASSETS	(unaudited)	
Restricted cash	**$ 675,696**	$ 227,489
Loans held for investment, subject to nonrecourse debt, at fair value	**10,685,569**	9,630,812
Loans held for investment, at fair value	**153,318**	432,724
Other assets, net (includes **$102,818** and $11,838 at fair value)	**155,387**	80,738
TOTAL ASSETS	**$ 11,669,970**	$ 10,371,763
LIABILITIES		
Nonrecourse debt, at fair value	**$ 10,866,225**	$ 9,359,493
Other financing lines of credit	**218,049**	313,699
Payables and other liabilities	**1,818**	3,784
TOTAL LIABILITIES	**$ 11,086,092**	$ 9,676,976
NET CARRYING VALUE OF ASSETS IN VIEs	**$ 583,878**	$ 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 September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
PORTFOLIO INTEREST INCOME				
Interest income	**$ 589,379**	$ 482,132	**$ 1,547,057**	$ 1,444,534
Interest expense	**(527,785)**	(404,031)	**(1,364,278)**	(1,236,534)
NET PORTFOLIO INTEREST INCOME	**61,594**	78,101	**182,779**	208,000
OTHER INCOME (EXPENSE)				
Net origination gains	**59,451**	59,933	**186,914**	162,029
Gains on securitization of home equity conversion mortgage ("HECM") tails, net	**19,456**	11,654	**44,743**	32,990
Fair value changes from model amortization	**(51,999)**	(41,293)	**(120,218)**	(117,705)
Fair value changes from market inputs or model assumptions	**(141,879)**	(21,872)	**(153,498)**	161,330
Net fair value changes on loans and related obligations	**(114,971)**	8,422	**(42,059)**	238,644
Fee income	**7,918**	8,813	**21,484**	21,898
Non-funding interest expense, net	**(12,489)**	(14,488)	**(37,529)**	(44,623)
NET OTHER INCOME (EXPENSE)	**(119,542)**	2,747	**(58,104)**	215,919
TOTAL REVENUES	**(57,948)**	80,848	**124,675**	423,919
EXPENSES				
Salaries, benefits, and related expenses	**44,430**	37,245	**129,301**	108,149
Loan production and portfolio related expenses	**12,655**	25,527	**45,355**	46,319
Loan servicing expenses	**9,310**	8,168	**24,499**	23,434
Marketing and advertising expenses	**14,428**	11,231	**44,981**	34,227
Amortization and depreciation	**9,980**	9,643	**29,761**	28,955
General and administrative expenses	**13,675**	12,780	**42,036**	38,939
TOTAL EXPENSES	**104,478**	104,594	**315,933**	280,023
OTHER, NET	**32,667**	(4,809)	**26,700**	(8,803)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	**(129,759)**	(28,555)	**(164,558)**	135,093
Provision (benefit) for income taxes from continuing operations	**(20,089)**	130	**(61,200)**	4,205
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	**(109,670)**	(28,685)	**(103,358)**	130,888
NET LOSS FROM DISCONTINUED OPERATIONS	**—**	(1,172)	**—**	(5,922)
NET INCOME (LOSS)	**(109,670)**	(29,857)	**(103,358)**	124,966
Net income (loss) from continuing operations attributable to noncontrolling interest	**(62,517)**	(19,807)	**(75,764)**	72,606
Net loss from discontinued operations attributable to noncontrolling interest	**—**	(535)	**—**	(3,257)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS ATTRIBUTABLE TO CONTROLLING INTEREST	**(47,153)**	(8,878)	**(27,594)**	58,282
NET LOSS FROM DISCONTINUED OPERATIONS ATTRIBUTABLE TO CONTROLLING INTEREST	**—**	(637)	**—**	(2,665)
NET INCOME (LOSS) ATTRIBUTABLE TO CONTROLLING INTEREST	**(47,153)**	(9,515)	**(27,594)**	55,617
Preferred Stock dividends	**1,125**	—	**3,375**	—
NET INCOME (LOSS) FROM CONTINUING OPERATIONS ATTRIBUTABLE TO HOLDERS OF CLASS A COMMON STOCK	**$ (48,278)**	$ (8,878)	**$ (30,969)**	$ 58,282

	Three months ended September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
EARNINGS (LOSS) PER SHARE (Note 15)				
Basic weighted average shares outstanding	**9,217,211**	9,066,190	**8,879,238**	10,090,861
Basic earnings (loss) per share from continuing operations	**$ (5.24)**	$ (0.98)	**$ (3.49)**	$ 5.78
Basic earnings (loss) per share	**$ (5.24)**	$ (1.05)	**$ (3.49)**	$ 5.51
Diluted weighted average shares outstanding	**19,250,589**	19,235,795	**18,997,028**	28,488,038
Diluted earnings (loss) per share from continuing operations	**$ (6.05)**	$ (1.22)	**$ (5.45)**	$ 4.26
Diluted earnings (loss) per share	**$ (6.05)**	$ (1.27)	**$ (5.45)**	$ 4.08

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 September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
NET INCOME (LOSS)	**$ (109,670)**	$ (29,857)	**$ (103,358)**	$ 124,966
COMPREHENSIVE LOSS ITEM:				
Impact of foreign currency translation adjustment	**—**	—	**—**	(7)
TOTAL COMPREHENSIVE INCOME (LOSS)	**(109,670)**	(29,857)	**(103,358)**	124,959
Less: Comprehensive income (loss) attributable to noncontrolling interest	**(62,517)**	(20,342)	**(75,764)**	69,345
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO CONTROLLING INTEREST	**$ (47,153)**	$ (9,515)	**$ (27,594)**	$ 55,614

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)

	Preferred Stock		Common Stock							Noncontrolling Interest		
			Class A		Class B							
	Shares	Amount	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Class A LLC Units	Amount	Total Equity
Balance at June 30, 2026	**50,000**	**$ —**	**8,936,570**	**$ 1**	**12**	**$ —**	**$ 981,042**	**$ (634,101)**	**$ (285)**	**8,088,934**	**$60,048**	**$406,705**
Net loss	—	—	—	—	—	—	—	**(47,153)**	—	—	**(62,517)**	**(109,670)**
Equity-based compensation, net	—	—	—	—	—	—	**2,845**	—	—	—	**641**	**3,486**
Conversion of Convertible Notes for Class A Common Stock (Note 5 - Fair Value)	—	—	**277,777**	—	—	—	**7,644**	—	—	—	—	**7,644**
Settlement of restricted stock units (“RSUs”)	—	—	**5,708**	—	—	—	—	—	—	—	—	—
Cancellation of shares to fund employee tax withholdings	—	—	**(2,099)**	—	—	—	**(44)**	—	—	—	—	**(44)**
Dividends declared on Preferred Stock	—	—	—	—	—	—	**(1,125)**	—	—	—	—	**(1,125)**
Reclassification of shares of Class B Common Stock (Note 2 - Summary of Significant Accounting Policies)	—	—	—	—	**8,088,922**	**1**	**(1)**	—	—	—	—	—
Balance at September 30, 2026	**50,000**	**$ —**	**9,217,956**	**$ 1**	**8,088,934**	**$ 1**	**$ 990,361**	**$ (681,254)**	**$ (285)**	**8,088,934**	**$(1,828)**	**$306,996**

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							Noncontrolling Interest		
	Class A		Class B		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Class A LLC Units	Amount	Total Equity
	Shares	Amount	Shares	Amount						
Balance at June 30, 2025	11,076,638	$ 1	14	$ —	$ 959,306	$ (633,763)	$ (283)	13,219,354	$ 148,164	$ 473,425
Net loss	—	—	—	—	—	(9,515)	—	—	(20,342)	(29,857)
Noncontrolling interest distributions	—	—	—	—	—	—	—	—	(6)	(6)
Equity-based compensation, net	—	—	—	—	1,942	—	—	—	658	2,600
Settlement of RSUs	3,976	—	—	—	—	—	—	—	—	—
Cancellation of shares to fund employee tax withholdings	(1,344)	—	—	—	(33)	—	—	—	—	(33)
Repurchase agreement (Note 14 - Related Party Transactions)	(3,192,284)	—	(2)	—	(34,467)	—	—	(4,837,533)	(45,831)	(80,298)
Balance at September 30, 2025	7,886,986	$ 1	12	$ —	$ 926,748	$ (643,278)	$ (283)	8,381,821	$ 82,643	$ 365,831

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)

	Preferred Stock		Common Stock							Noncontrolling Interest		
			Class A		Class B							
	Shares	Amount	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Class A LLC Units	Amount	Total Equity
Balance at December 31, 2025	**50,000**	**$ —**	**7,899,344**	**$ 1**	**12**	**$ —**	**$ 977,816**	**$ (653,660)**	**$ (285)**	**8,381,821**	**$71,755**	**$395,627**
Net loss	—	—	—	—	—	—	—	**(27,594)**	—	—	**(75,764)**	**(103,358)**
Equity-based compensation, net	—	—	—	—	—	—	**8,439**	—	—	—	**1,833**	**10,272**
Conversion of Convertible Notes for Class A Common Stock (Note 5 - Fair Value)	—	—	**277,777**	—	—	—	**7,644**	—	—	—	—	**7,644**
Conversion of Class A LLC Units for Class A Common Stock pursuant to the Exchange Agreement	—	—	**650,000**	—	—	—	**4,273**	—	—	**(650,000)**	**(5,564)**	**(1,291)**
Settlement of RSUs	—	—	**605,468**	—	—	—	—	—	—	—	—	—
Cancellation of shares to fund employee tax withholdings	—	—	**(214,633)**	—	—	—	**(3,583)**	—	—	—	—	**(3,583)**
Issuance of Class A LLC Units	—	—	—	—	—	—	—	—	—	**357,113**	**5,912**	**5,912**
Repurchase agreement transaction costs (Note 14 - Related Party Transactions)	—	—	—	—	—	—	**(852)**	—	—	—	—	**(852)**
Dividends declared on Preferred Stock	—	—	—	—	—	—	**(3,375)**	—	—	—	—	**(3,375)**
Reclassification of shares of Class B Common Stock (Note 2 - Summary of Significant Accounting Policies)	—	—	—	—	**8,088,922**	**1**	**(1)**	—	—	—	—	—
Balance at September 30, 2026	**50,000**	**$ —**	**9,217,956**	**$ 1**	**8,088,934**	**$ 1**	**$ 990,361**	**$ (681,254)**	**$ (285)**	**8,088,934**	**$(1,828)**	**$306,996**

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited)

	Common Stock									
	Class A		Class B		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Loss	Noncontrolling Interest		
	Shares	Amount	Shares	Amount				Class A LLC Units	Amount	Total Equity
Balance at December 31, 2024	9,934,449	$ 1	15	$ —	$ 954,469	$ (698,895)	$ (276)	13,891,768	$ 60,365	$ 315,664
Net income	—	—	—	—	—	55,617	—	—	69,349	124,966
Noncontrolling interest distributions	—	—	—	—	—	—	—	—	(294)	(294)
Equity-based compensation, net	—	—	—	—	5,432	—	—	—	1,972	7,404
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	547,876	—	—	—	—	—	—	—	—	—
Cancellation of shares to fund employee tax withholdings	(178,080)	—	—	—	(3,800)	—	—	—	—	(3,800)
Repurchase agreement (Note 14 - Related Party Transactions)	(3,192,284)	—	(2)	—	(34,467)	—	—	(4,837,533)	(45,831)	(80,298)
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 September 30, 2025	7,886,986	$ 1	12	$ —	$ 926,748	$ (643,278)	$ (283)	8,381,821	$ 82,643	$ 365,831

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited)

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

	Nine months ended September 30,	
	2026	**2025**
Operating Activities		
Net income (loss)	**$ (103,358)**	$ 124,966
Adjustments to reconcile net income (loss) to net cash used in operating activities	**(384,334)**	(463,269)
Net cash used in operating activities	**(487,692)**	(338,303)
Investing Activities		
Purchases and originations of loans held for investment	**(2,708,138)**	(2,476,508)
Proceeds/payments received on loans held for investment	**1,938,909**	2,180,176
Purchases and originations of loans held for investment, subject to nonrecourse debt	**(19,679)**	(19,073)
Proceeds/payments on loans held for investment, subject to nonrecourse debt	**1,027,417**	766,475
Acquisition of Onity Mortgage Corporation net portfolio assets	**(117,487)**	—
Other investing activities, net	**9,163**	(3,966)
Net cash provided by investing activities	**130,185**	447,104
Financing Activities		
Proceeds from issuance of HMBS related obligations	**1,672,221**	1,488,880
Payments on HMBS related obligations	**(1,978,679)**	(2,002,540)
Proceeds from issuance of nonrecourse debt	**4,149,271**	4,560,459
Payments on nonrecourse debt	**(3,041,184)**	(3,897,604)
Proceeds from other financing lines of credit	**4,157,102**	4,069,599
Payments on other financing lines of credit	**(4,072,696)**	(4,178,483)
Repurchase of Class A Common Stock and Class A LLC Units	**(41,552)**	—
Dividends paid on Preferred Stock	**(3,375)**	—
Proceeds from notes payable	**—**	40,000
Payments on notes payable	**—**	(85,000)
Other financing activities, net	**(7,240)**	(3,687)
Net cash provided by (used in) financing activities	**833,868**	(8,376)
Effect of exchange rate changes on cash and cash equivalents	**—**	(7)
Net increase in cash and cash equivalents and restricted cash	**476,361**	100,418
Cash and cash equivalents and restricted cash, beginning of period	**324,646**	301,968
Cash and cash equivalents and restricted cash, end of period	**$ 801,007**	$ 402,386
Cash and cash equivalents	**$ 118,385**	$ 109,793
Restricted cash	**682,622**	292,593
Total cash and cash equivalents and restricted cash, end of period	**$ 801,007**	$ 402,386
Supplementary Cash Flows Information		
Cash paid for interest	**$ 435,306**	$ 488,632
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 September 30, 2026, its results of operations for the three and nine months ended September 30, 2026 and 2025, and its cash flows for the nine months ended September 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.

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) reclassified the outstanding shares of the Company's Class B Common Stock (the "Class B Common Stock") such that each holder of outstanding Class A LLC units of FOA Equity ("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, (ii) provided 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, and (iii) decreased the number of authorized shares of Class A Common Stock from 6,000,000,000 to 5,951,000,000 and increased the number of authorized shares of Class B Common Stock from 1,000,000 to 50,000,000.

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 held by the noncontrolling interest. 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.

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 September 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 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 cost of the acquisition to the assets acquired and liabilities assumed in the OMC Transaction (in thousands):

Consideration transferred:		
Cash consideration[(1)]	**$**	**124,451**
Assets acquired:		
Loans held for investment, subject to HMBS related obligations	**$**	**5,574,852**
Loans held for investment		**55,180**
Other assets		**42**
Total assets acquired	**$**	**5,630,074**
Liabilities assumed:		
HMBS related obligations	**$**	**5,503,464**
Payables and other liabilities		**2,159**
Total liabilities assumed		**5,505,623**
Net identifiable assets acquired	**$**	**124,451**

[(1)] In accordance with the OMC Purchase Agreements, the Company paid cash of $91.8 million on June 30, 2026 and an additional $25.7 million during the third quarter of 2026 following the post-closing purchase price reconciliation. The remaining $7.0 million represents a contractual holdback that is expected to be paid through fiscal year 2027. This liability is 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 nine months ended September 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 $0.7 billion and $2.1 billion for the three and nine months ended September 30, 2026, respectively, compared to $1.9 billion and $2.7 billion for the three and nine months ended September 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 consideration paid and the carrying value of the debt. For the nine months ended September 30, 2026, the Company recognized gains on extinguishment of debt related to these purchases of $24.4 million, with no such gains recognized during the three months ended September 30, 2026, compared to gains of $21.8 million and $38.8 million for the three and nine months ended September 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):

	September 30, 2026	December 31, 2025
Assets		
Restricted cash	**$ 675,696**	$ 227,489
Loans held for investment, subject to nonrecourse debt, at fair value	**10,685,569**	9,630,812
Loans held for investment, at fair value	**153,318**	432,724
Other assets, net (includes **$102,818** and $11,838 at fair value)	**155,387**	80,738
Total assets	**$ 11,669,970**	$ 10,371,763
Liabilities		
Nonrecourse debt, at fair value	**$ 11,445,657**	$ 9,806,836
Other financing lines of credit	**218,049**	313,699
Payables and other liabilities	**1,818**	3,784
Total VIE liabilities	**11,665,524**	10,124,319
Retained bonds and beneficial interests eliminated in consolidation	**(579,432)**	(447,343)
Total consolidated liabilities	**$ 11,086,092**	$ 9,676,976

Unconsolidated VIEs

During the three months ended September 30, 2026, the Company entered into 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 does not consolidate, as the Company is not the primary beneficiary. The securitization includes certain bonds retained from previously issued securitizations of non-agency reverse mortgage loans that are eliminated in consolidation. The associated debt of $98.4 million as of September 30, 2026 is recorded in Other financing lines of credit in the Condensed Consolidated Statements of Financial Condition.

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 are VIEs and concluded that the Company is not the primary beneficiary, as it does not have the power to direct the activities that most significantly affect the economic performance of the VIEs. 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 for which its beneficial interest in the securitization was limited to a 5% retained interest in the trust. The Company determined that this securitization structure was a VIE and concluded that the Company was not the primary beneficiary, as it did not have the power to direct the activities that most significantly affect the economic performance of the VIE. The transfer of the loans to the VIE was determined not to be a sale. Accordingly, 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 the Company was the primary beneficiary, as it had both the power to direct the activities that most significantly affect 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):

	September 30, 2026			
	Carrying value			
	Assets	**Liabilities**	**Maximum Exposure to Loss**	**Total Assets in VIEs**
Transfer of loans - sale treatment				
Retained interests	**$ 37,853**	**$ —**	**$ 37,853**	**$ 757,010**

	December 31, 2025			
	Carrying value			
	Assets	**Liabilities**	**Maximum Exposure to Loss**	**Total Assets in VIEs**
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 September 30, 2026 and December 31, 2025, there were $1.1 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 transfer. As of September 30, 2026, the Company was servicing 4,008 Ginnie Mae loan pools and the weighted average interest rate on the HMBS related obligations was 5.9%. 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.

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 nine months ended September 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

[(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.

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
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 14 - Related Party Transactions for additional information.	Level 2

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 September 30, 2026.	Level 3

	September 30, 2026		December 31, 2025	
Instrument / Unobservable Inputs	**Range**	**Weighted Average**	**Range**	**Weighted Average**
Assets				
Loans held for investment, subject to HMBS related obligations				
WAL (in years)	**NM**	**2.7**	NM	3.1
CPR	**NM**	**23.0 %**	NM	20.9 %
Loss frequency	**NM**	**4.6 %**	NM	4.5 %
Loss severity	**4.9% - 12.8%**	**4.9 %**	5.8% - 15.8%	6.0 %
Average draw rate	**NM**	**1.1 %**	NM	1.1 %
Discount rate	**NM**	**5.7 %**	NM	4.7 %
Loans held for investment, subject to nonrecourse debt:				
Non-agency reverse mortgage loans - securitized				
WAL (in years)	**NM**	**10.3**	NM	9.8
LTV	**NM**	**51.9 %**	NM	49.9 %
CPR	**NM**	**15.0 %**	NM	15.0 %
Loss severity	**NM**	**10.0 %**	NM	10.0 %
HPA	**(3.9)% - 5.3%**	**3.8 %**	(6.8)% - 5.3%	3.7 %
Discount rate	**NM**	**7.3 %**	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	**4.9% - 12.8%**	**9.5 %**	6.0% - 13.3%	8.4 %
Discount rate	**NM**	**8.2 %**	NM	7.3 %
HECM buyouts - securitized (nonperforming)				
WAL (in years)	**NM**	**1.5**	NM	1.5
CPR	**NM**	**41.4 %**	NM	41.5 %
Loss frequency	**NM**	**46.8 %**	NM	45.5 %
Loss severity	**4.9% - 12.8%**	**5.4 %**	6.0% - 13.3%	6.8 %
Discount rate	**NM**	**8.2 %**	NM	6.8 %
Loans held for investment:				
Non-agency reverse mortgage loans				
WAL (in years)	**NM**	**11.6**	NM	11.1
LTV	**NM**	**39.7 %**	NM	43.2 %
CPR	**NM**	**15.2 %**	NM	14.9 %
Loss severity	**NM**	**10.0 %**	NM	10.0 %

Instrument / Unobservable Inputs	September 30, 2026		December 31, 2025	
	Range	Weighted Average	Range	Weighted Average
HPA	**(3.9)% - 5.3%**	**3.6 %**	(6.8)% - 5.3%	3.6 %
Discount rate	**NM**	**7.2 %**	NM	6.3 %
HECM buyouts (nonperforming)				
WAL (in years)	**NM**	**1.4**	NM	1.3
CPR	**NM**	**45.4 %**	NM	45.4 %
Loss frequency	**NM**	**51.5 %**	NM	42.3 %
Loss severity	**4.9% - 12.8%**	**7.4 %**	6.0% - 13.3%	11.2 %
Discount rate	**NM**	**8.2 %**	NM	6.8 %
Other assets:				
Retained bonds				
WAL (in years)	**NM**	**4.7**	NM	3.0
Discount rate	**(2.0)% - 14.5%**	**7.9 %**	(1.7)% - 15.3%	7.1 %
Liabilities				
HMBS related obligations				
WAL (in years)	**NM**	**3.6**	NM	3.9
CPR	**NM**	**26.6 %**	NM	24.8 %
Discount rate	**NM**	**5.6 %**	NM	4.6 %
Nonrecourse debt:				
Non-agency reverse mortgage loan securitizations				
WAL (in years)	**0.1 - 14.1**	**8.1**	0.1 - 10.5	6.4
CPR	**NM**	**14.1 %**	NM	21.8 %
Discount rate	**NM**	**7.1 %**	NM	6.0 %
Performing/nonperforming HECM securitizations				
WAL (in years)	**1.8 - 1.9**	**1.9**	NM	1.2
CPR	**18.6% - 21.8%**	**20.2 %**	NM	57.4 %
Discount rate	**NM**	**6.2 %**	NM	5.4 %
Deferred purchase price liabilities:				
TRA obligation				
Discount rate	**NM**	**33.7 %**	NM	26.6 %

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):

	September 30, 2026			
	Total Fair Value	**Level 1**	**Level 2**	**Level 3**
Assets				
Loans held for investment, subject to HMBS related obligations	**$ 25,157,687**	**$ —**	**$ —**	**$ 25,157,687**
Loans held for investment, subject to nonrecourse debt	**10,685,569**	**—**	**—**	**10,685,569**
Loans held for investment	**525,374**	**—**	**—**	**525,374**
Other assets:				
Loans held for sale	**221,424**	**—**	**1,786**	**219,638**
Retained bonds	**30,645**	**—**	**—**	**30,645**
Total assets	**$ 36,620,699**	**$ —**	**$ 1,786**	**$ 36,618,913**
Liabilities				
HMBS related obligations	**$ 24,848,685**	**$ —**	**$ —**	**$ 24,848,685**
Nonrecourse debt	**10,866,225**	**—**	**—**	**10,866,225**
Convertible Notes	**23,284**	**—**	**23,284**	**—**
TRA obligation	**1,782**	**—**	**—**	**1,782**
Total liabilities	**$ 35,739,976**	**$ —**	**$ 23,284**	**$ 35,716,692**

	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

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

	Assets			
Three months ended September 30, 2026	**Loans held for investment**	**Loans held for investment, subject to nonrecourse debt**	**Loans held for sale**	**Retained bonds**
Beginning balance	**$ 25,561,428**	**$ 10,928,261**	**$ 153,685**	**$ 33,112**
Total gain (loss) included in earnings	**237,744**	**(256,431)**	**(5,613)**	**(1,626)**
Purchases, settlements, and transfers:				
Purchases and additions	**981,515**	**6,252**	**71,566**	**—**
Sales and settlements	**(729,444)**	**(355,803)**	**—**	**(841)**
Transfers in (out) between categories	**(368,182)**	**363,290**	**—**	**—**
Ending balance	**$ 25,683,061**	**$ 10,685,569**	**$ 219,638**	**$ 30,645**

	Liabilities		
Three months ended September 30, 2026	**HMBS related obligations**	**Nonrecourse debt**	**Deferred purchase price liabilities**
Beginning balance	**$ (24,717,687)**	**$ (10,641,380)**	**$ (4,221)**
Total gain (loss) included in earnings	**(209,983)**	**196,881**	**2,439**
Purchases, settlements, and transfers:			
Purchases and additions	**(609,196)**	**(1,466,855)**	**—**
Settlements	**688,181**	**1,045,129**	**—**
Ending balance	**$ (24,848,685)**	**$ (10,866,225)**	**$ (1,782)**

	Assets			
Nine months ended September 30, 2026	**Loans held for investment**	**Loans held for investment, subject to nonrecourse debt**	**Loans held for sale**	**Retained bonds**
Beginning balance	**$ 20,005,484**	**$ 10,026,177**	**$ 36,123**	**$ 38,685**
Total gain (loss) included in earnings	**963,508**	**(90,252)**	**3,016**	**(1,951)**
Purchases, settlements, and transfers:				
Purchases and additions	**8,413,287**	**19,679**	**180,499**	**—**
Sales and settlements	**(1,943,153)**	**(1,027,417)**	**—**	**(2,328)**
Transfers in (out) between categories	**(1,756,065)**	**1,757,382**	**—**	**(3,761)**
Ending balance	**$ 25,683,061**	**$ 10,685,569**	**$ 219,638**	**$ 30,645**

	Liabilities		
Nine months ended September 30, 2026	**HMBS related obligations**	**Nonrecourse debt**	**Deferred purchase price liabilities**
Beginning balance	**$ (18,912,226)**	**$ (9,736,493)**	**$ (12,547)**
Total gain (loss) included in earnings	**(739,453)**	**51,368**	**4,974**
Purchases, settlements, and transfers:			
Purchases and additions	**(7,175,685)**	**(4,226,045)**	**—**
Settlements	**1,978,679**	**3,041,184**	**5,791**
Transfers out between categories	**—**	**3,761**	**—**
Ending balance	**$ (24,848,685)**	**$ (10,866,225)**	**$ (1,782)**

	Assets			
Three months ended September 30, 2025	**Loans held for investment**	**Loans held for investment, subject to nonrecourse debt**	**Loans held for sale**	**Retained bonds**
Beginning balance	$ 19,493,155	$ 9,888,492	$ 180,899	$ 39,720
Total gain included in earnings	370,022	213,355	1,058	516
Purchases, settlements, and transfers:				
Purchases and additions	822,126	6,352	40,310	—
Sales and settlements	(684,844)	(248,177)	(163,483)	(943)
Transfers in (out) between categories	(618,556)	616,919	—	—
Ending balance	$ 19,381,903	$ 10,476,941	$ 58,784	$ 39,293

	Liabilities		
Three months ended September 30, 2025	**HMBS related obligations**	**Nonrecourse debt**	**Deferred purchase price liabilities**
Beginning balance	$ (18,643,094)	$ (9,426,194)	$ (13,439)
Total gain (loss) included in earnings	(291,062)	(189,197)	4,548
Purchases, settlements, and transfers:			
Purchases and additions	(491,692)	(3,003,191)	—
Settlements	667,290	2,462,713	—
Ending balance	$ (18,758,558)	$ (10,155,869)	$ (8,891)

	Assets			
Nine months ended September 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	1,076,254	785,573	1,058	1,727
Purchases, settlements, and transfers:				
Purchases and additions	2,476,508	19,073	40,310	—
Sales and settlements	(2,019,815)	(766,475)	(163,483)	(2,841)
Transfers in (out) between categories	(1,341,109)	1,150,367	180,899	—
Ending balance	$ 19,381,903	$ 10,476,941	$ 58,784	$ 39,293

	Liabilities		
Nine months ended September 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	(827,848)	(538,946)	5,587
Purchases, settlements, and transfers:			
Purchases and additions	(1,488,880)	(4,560,459)	—
Settlements	2,002,540	3,897,604	2,206
Ending balance	$ (18,758,558)	$ (10,155,869)	$ (8,891)

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

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):

	September 30, 2026		December 31, 2025	
	Fair Value	UPB	Fair Value	UPB
Assets				
Loans held for investment, subject to HMBS related obligations	**$ 25,157,687**	**$ 23,602,418**	$ 19,135,403	$ 17,983,144
Loans held for investment, subject to nonrecourse debt	**10,685,569**	**10,745,516**	10,026,177	9,567,732
Loans held for investment[(1)]	**525,374**	**527,628**	870,081	790,342
Other assets:				
Loans held for sale	**221,424**	**216,469**	37,461	34,515
Liabilities				
HMBS related obligations	**24,848,685**	**23,602,418**	18,912,226	17,983,144
Nonrecourse debt	**10,866,225**	**11,654,953**	9,736,493	9,960,524
Convertible Notes[(2)]	**23,284**	**35,000**	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 $4.0 million and a UPB of $5.2 million as of September 30, 2026, compared to a fair value of $6.1 million and a UPB of $7.0 million as of December 31, 2025.

[(2)] The Company elected the fair value option for the Convertible Notes and, accordingly, measures the Convertible Notes at fair value upon issuance, at each subsequent reporting date, and upon conversion, with changes in fair value recognized in Other, net, in the Condensed Consolidated Statements of Operations. During the three months ended September 30, 2026, pursuant to the convertible note purchase agreements, certain holders converted an aggregate principal amount of $5.0 million of Convertible Notes into 277,777 shares of Class A Common Stock. On the conversion date, the fair value of the Class A Common Stock issued was $7.6 million, based on the NYSE quoted market price of the Company's Class A Common Stock.

Fair Value of Other Financial Instruments

As of September 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):

	September 30, 2026		December 31, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Senior Secured Notes	**$ 137,816**	**$ 154,161**	$ 126,089	$ 149,620
Exchangeable Secured Notes	**133,088**	**152,627**	130,040	178,428
LFH Promissory Note	**20,000**	**20,000**	20,000	20,000
Total notes recorded at amortized cost	**290,904**	**$ 326,788**	276,129	$ 348,048
Convertible Notes, recorded at fair value	**23,284**		53,800	
Total notes payable	**$ 314,188**		$ 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):

	September 30, 2026	December 31, 2025
Loans held for investment, subject to HMBS related obligations	**$ 23,602,418**	$ 17,983,144
Loans held for investment, subject to nonrecourse debt:		
Non-agency reverse mortgages	**10,082,222**	8,887,778
Performing HECM buyouts	**251,786**	251,051
Nonperforming HECM buyouts	**411,508**	428,903
Total loans held for investment, subject to nonrecourse debt	**10,745,516**	9,567,732
Loans held for investment:		
Non-agency reverse mortgages	**295,258**	614,515
HECM loans not securitized[(1)]	**124,658**	103,825
Unpoolable HECM loans[(2)]	**102,404**	64,983
Total loans held for investment[(3)]	**522,320**	783,323
Other assets:		
Loans held for sale[(3)]	**214,130**	32,761
Total owned loan portfolio	**35,084,384**	28,366,960
Loans reclassified as government guaranteed receivable	**50,743**	50,922
Loans serviced for others	**510,969**	590,192
Total serviced loan portfolio	**$ 35,646,096**	$ 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 September 30, 2026 and December 31, 2025, there was $655.8 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):

	September 30, 2026	December 31, 2025
Adjustable rate loans	**$ 26,793,969**	$ 20,662,839
Fixed rate loans	**8,290,415**	7,704,121
Total owned loan portfolio	**$ 35,084,384**	$ 28,366,960

As of September 30, 2026 and December 31, 2025, there were $708.4 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 $9.1 million and $8.9 million, respectively, of foreclosure proceedings in process, which are included in loans serviced for others in the table above.

7. Other Assets, Net

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

	September 30, 2026	December 31, 2025
Loans held for sale, at fair value (Note 5 - Fair Value)	**$ 221,424**	$ 37,461
Deferred tax asset, net (Note 11 - Income Taxes)	**55,529**	—
Government guaranteed receivables	**45,784**	47,100
Retained bonds, at fair value (Note 5 - Fair Value)	**30,645**	38,685
Right-of-use assets	**14,866**	17,566
Receivables, net of **$2,277** and $8,264 allowance as of September 30, 2026 and December 31, 2025	**9,286**	26,425
Prepaid expenses	**9,201**	10,013
Fixed assets, net	**5,986**	4,422
Other	**17,104**	15,704
Total other assets, net	**$ 409,825**	$ 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	September 30, 2026	December 31, 2025
Securitization of non-agency reverse mortgage loans	May 2018 - September 2026	December 2053 - September 2076	2.00% - 7.00%	$ 12,761,984	**$ 10,928,046**	$ 8,834,991
Securitization of performing/nonperforming HECM loans	November 2025 - March 2026	November 2035 - March 2036	4.25% - 6.00%	839,600	**726,907**	749,110
Total consolidated VIE nonrecourse debt UPB					**11,654,953**	9,584,101
Nonrecourse loan financing liability[2]					—	376,423
Fair value adjustments					**(788,728)**	(224,031)
Total nonrecourse debt, at fair value					**$ 10,866,225**	$ 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.

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

Year Ending December 31,	Estimated Maturities
Remainder of 2026	**$ 771,283**
2027	**852,464**
2028	**1,095,438**
2029	**939,719**
2030	**710,494**
Thereafter	**7,285,555**
Total payments on nonrecourse debt	**$ 11,654,953**

9. Other Financing Lines of Credit

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

				Outstanding borrowings at	
Maturity Date	**Interest Rate**	**Collateral Pledged**	**Total Capacity[1]**	**September 30, 2026**	**December 31, 2025**
Reverse lines:					
October 2026[2] - October 2027	Secured Overnight Financing Rate ("SOFR") + applicable margin	First and Second Lien Mortgages	$ 1,140,000	**$ 632,848**	$ 737,435
Various[3]	Bond accrual rate/SOFR + applicable margin; or fixed rate	Mortgage Related Assets	770,000	**538,443**	335,443
October 2027	SOFR + applicable margin	HECM MSR	70,000	**37,500**	63,462
October 2026[2]	SOFR + applicable margin	Unsecuritized Tails	50,000	**34,212**	20,269
Total reverse lines of credit			2,030,000	**1,243,003**	1,156,609
Mortgage line:					
Various[3]	Bond accrual rate + applicable margin	Mortgage Related Assets	29,251	**29,251**	31,090
Total other financing lines of credit			$ 2,059,251	**$ 1,272,254**	$ 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 September 30, 2026.
[2] The other financing lines of credit with a maturity date of October 2026 have been renewed subsequent to September 30, 2026.
[3] 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 September 30, 2026 and December 31, 2025, the weighted average interest rate on outstanding financing lines of credit was 7.13% 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 September 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.

The Company's most restrictive financial covenant requirements and actual financial covenant amounts and ratios are presented in the following tables (in thousands, except for ratios):

Financial Covenants	Requirement	September 30, 2026
FAR		
Adjusted tangible net worth	**$ 250,000**	**$ 393,249**
Liquidity	**55,959**	**74,410**
Leverage ratio	**6:1**	**3.7:1**
FAH		
Adjusted tangible net worth	**$ 200,000**	**$ 372,221**
Liquidity	**40,000**	**80,303**
Leverage ratio	**10:1**	**4.9:1**

Financial Covenants	Requirement	December 31, 2025
FAR		
Adjusted tangible net worth	$ 250,000	$ 569,044
Liquidity	42,412	64,688
Leverage ratio	6:1	2.7:1
FAH		
Adjusted tangible net worth	$ 200,000	$ 561,035
Liquidity	40,000	68,632
Leverage ratio	10:1	3.1:1

10. 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 September 30, 2026 and December 31, 2025, respectively. This additional borrowing capacity is primarily in the form of undrawn lines of credit.

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.

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 was 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 both the individual arbitration claim and the representative PAGA claim for a de minimis amount and the matter has been closed.

11. Income Taxes

The Company's effective tax rate on continuing operations for the three months ended September 30, 2026 differed from the U.S. federal statutory rate primarily due to the projected mix of earnings and losses attributable to the noncontrolling interest. For the nine months ended September 30, 2026, the effective tax rate on continuing operations 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 nine months ended September 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 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 was more likely than not that substantially all of its deferred tax assets would be realized. Accordingly, the Company released $33.8 million of its valuation allowance during the second quarter of 2026, which was recognized as a discrete income tax benefit. As of September 30, 2026, the Company continued to conclude that it is more likely than not that substantially all of its deferred tax assets will be realized.

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 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 second quarter of 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.

12. Business Segment Reporting

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

	For the three months ended September 30, 2026				
	Retirement Solutions	Portfolio Management	Total Reportable Segments	Corporate and Other	Total
Portfolio interest income					
Interest income	$ —	$ 589,379	$ 589,379	$ —	$ 589,379
Interest expense	—	(527,785)	(527,785)	—	(527,785)
Net portfolio interest income	—	61,594	61,594	—	61,594
Other income (expense)					
Net origination gains	59,451	—	59,451	—	59,451
Gains on securitization of HECM tails, net	—	19,456	19,456	—	19,456
Fair value changes from model amortization	—	(51,999)	(51,999)	—	(51,999)
Fair value changes from market inputs or model assumptions	—	(141,879)	(141,879)	—	(141,879)
Net fair value changes on loans and related obligations	59,451	(174,422)	(114,971)	—	(114,971)
Fee income	7,572	469	8,041	(123)	7,918
Non-funding interest expense, net	—	—	—	(12,489)	(12,489)
Net other income (expense)	67,023	(173,953)	(106,930)	(12,612)	(119,542)
Total revenues	67,023	(112,359)	(45,336)	(12,612)	(57,948)
Expenses					
Salaries, benefits, and related expenses	30,178	4,322	34,500	9,930	44,430
Loan production and portfolio related expenses	3,843	8,812	12,655	—	12,655
Loan servicing expenses	—	9,310	9,310	—	9,310
Marketing and advertising expenses	14,415	—	14,415	13	14,428
Amortization and depreciation	9,524	5	9,529	451	9,980
General and administrative expenses	6,558	3,134	9,692	3,983	13,675
Total expenses	64,518	25,583	90,101	14,377	104,478
Other, net	—	—	—	32,667	32,667
Net income (loss) before taxes	$ 2,505	$ (137,942)	$ (135,437)	$ 5,678	$ (129,759)

	For the three months ended September 30, 2025				
	Retirement Solutions	Portfolio Management	Total Reportable Segments	Corporate and Other	Total
Portfolio interest income					
Interest income	$ —	$ 482,132	$ 482,132	$ —	$ 482,132
Interest expense	—	(404,031)	(404,031)	—	(404,031)
Net portfolio interest income	—	78,101	78,101	—	78,101
Other income (expense)					
Net origination gains	59,933	—	59,933	—	59,933
Gains on securitization of HECM tails, net	—	11,654	11,654	—	11,654
Fair value changes from model amortization	—	(41,293)	(41,293)	—	(41,293)
Fair value changes from market inputs or model assumptions	—	(21,872)	(21,872)	—	(21,872)
Net fair value changes on loans and related obligations	59,933	(51,511)	8,422	—	8,422
Fee income	8,186	750	8,936	(123)	8,813
Non-funding interest expense, net	—	—	—	(14,488)	(14,488)
Net other income (expense)	68,119	(50,761)	17,358	(14,611)	2,747
Total revenues	68,119	27,340	95,459	(14,611)	80,848
Expenses					
Salaries, benefits, and related expenses	23,041	3,670	26,711	10,534	37,245
Loan production and portfolio related expenses	1,621	23,906	25,527	—	25,527
Loan servicing expenses	—	8,168	8,168	—	8,168
Marketing and advertising expenses	11,230	—	11,230	1	11,231
Amortization and depreciation	9,328	5	9,333	310	9,643
General and administrative expenses	5,563	2,509	8,072	4,708	12,780
Total expenses	50,783	38,258	89,041	15,553	104,594
Other, net	—	—	—	(4,809)	(4,809)
Net income (loss) before taxes	$ 17,336	$ (10,918)	$ 6,418	$ (34,973)	$ (28,555)

	For the nine months ended September 30, 2026				
	Retirement Solutions	Portfolio Management	Total Reportable Segments	Corporate and Other	Total
Portfolio interest income					
Interest income	$ —	$ 1,547,057	$ 1,547,057	$ —	$ 1,547,057
Interest expense	—	(1,364,278)	(1,364,278)	—	(1,364,278)
Net portfolio interest income	—	182,779	182,779	—	182,779
Other income (expense)					
Net origination gains	186,914	—	186,914	—	186,914
Gains on securitization of HECM tails, net	—	44,743	44,743	—	44,743
Fair value changes from model amortization	—	(120,218)	(120,218)	—	(120,218)
Fair value changes from market inputs or model assumptions	—	(153,498)	(153,498)	—	(153,498)
Net fair value changes on loans and related obligations	186,914	(228,973)	(42,059)	—	(42,059)
Fee income	20,587	1,266	21,853	(369)	21,484
Non-funding interest expense, net	—	—	—	(37,529)	(37,529)
Net other income (expense)	207,501	(227,707)	(20,206)	(37,898)	(58,104)
Total revenues	207,501	(44,928)	162,573	(37,898)	124,675
Expenses					
Salaries, benefits, and related expenses	84,271	12,920	97,191	32,110	129,301
Loan production and portfolio related expenses	8,682	36,673	45,355	—	45,355
Loan servicing expenses	—	24,499	24,499	—	24,499
Marketing and advertising expenses	44,942	—	44,942	39	44,981
Amortization and depreciation	28,342	15	28,357	1,404	29,761
General and administrative expenses	18,666	8,806	27,472	14,564	42,036
Total expenses	184,903	82,913	267,816	48,117	315,933
Other, net	—	—	—	26,700	26,700
Net income (loss) before taxes	$ 22,598	$ (127,841)	$ (105,243)	$ (59,315)	$ (164,558)

	For the nine months ended September 30, 2025				
	Retirement Solutions	Portfolio Management	Total Reportable Segments	Corporate and Other	Total
Portfolio interest income					
Interest income	$ —	$ 1,444,534	$ 1,444,534	$ —	$ 1,444,534
Interest expense	—	(1,236,534)	(1,236,534)	—	(1,236,534)
Net portfolio interest income	—	208,000	208,000	—	208,000
Other income (expense)					
Net origination gains	162,029	—	162,029	—	162,029
Gains on securitization of HECM tails, net	—	32,990	32,990	—	32,990
Fair value changes from model amortization	—	(117,705)	(117,705)	—	(117,705)
Fair value changes from market inputs or model assumptions	—	161,330	161,330	—	161,330
Net fair value changes on loans and related obligations	162,029	76,615	238,644	—	238,644
Fee income	20,158	2,109	22,267	(369)	21,898
Non-funding interest expense, net	—	—	—	(44,623)	(44,623)
Net other income (expense)	182,187	78,724	260,911	(44,992)	215,919
Total revenues	182,187	286,724	468,911	(44,992)	423,919
Expenses					
Salaries, benefits, and related expenses	68,246	11,027	79,273	28,876	108,149
Loan production and portfolio related expenses	4,398	41,921	46,319	—	46,319
Loan servicing expenses	—	23,434	23,434	—	23,434
Marketing and advertising expenses	34,217	—	34,217	10	34,227
Amortization and depreciation	27,985	39	28,024	931	28,955
General and administrative expenses	16,373	7,839	24,212	14,727	38,939
Total expenses	151,219	84,260	235,479	44,544	280,023
Other, net	—	—	—	(8,803)	(8,803)
Net income (loss) before taxes	$ 30,968	$ 202,464	$ 233,432	$ (98,339)	$ 135,093

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

	September 30, 2026	December 31, 2025
Retirement Solutions	**$ 153,007**	$ 214,601
Portfolio Management	**37,425,695**	30,458,518
Total reportable segments	**37,578,702**	30,673,119
Corporate and Other	**152,483**	60,179
Total assets	**$ 37,731,185**	$ 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 the actual cost of services performed using direct resource utilization, estimated 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.

13. 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%.

The minimum net worth required of FAR by Ginnie Mae was $254.4 million as of September 30, 2026. FAR's actual net worth calculated based on Ginnie Mae guidance was $388.0 million as of September 30, 2026. The minimum liquidity required of FAR by Ginnie Mae was $50.9 million as of September 30, 2026. FAR's actual cash and cash equivalents were $74.4 million as of September 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 transfer. Accordingly, FAR requested and received a waiver from Ginnie Mae for the leverage ratio requirement. 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 September 30, 2026, FAR was in compliance with all Ginnie Mae 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 September 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.

14. Related Party Transactions

Promissory Notes

On August 4, 2025, the Company entered into an unsecured working capital promissory note with Libman Family Holdings, LLC ("LFH"), an affiliate of the Company (the "LFH Promissory Note"). On August 4, 2026, the LFH Promissory Note was amended and restated. The amended and restated LFH Promissory Note provides for an uncommitted revolving facility of up to $20.0 million, provided that the Company may request that LFH grant a one-time temporary increase in the facility of up to $30.0 million for a period not to exceed 90 days, which, if granted, would result in an uncommitted revolving facility of up to $50.0 million. The amended and restated LFH Promissory Note accrues interest at a rate of 10% per annum and matures on August 4, 2027. Borrowings under the LFH Promissory Note were $20.0 million as of both September 30, 2026 and December 31, 2025 and were recorded in Notes payable in the Condensed Consolidated Statements of Financial Condition. The Company paid $0.6 million and $1.5 million of interest related to the LFH Promissory Note during the three and nine months ended September 30, 2026, respectively, compared to $0.3 million for both the three and nine months ended September 30, 2025.

Additionally, on August 4, 2025, the Company repaid and terminated its two outstanding working capital promissory notes with LFH and BTO Urban Holdings L.L.C., which was an affiliate of the Company. For the three and nine months ended September 30, 2025, the Company paid $4.0 million and $8.5 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 September 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 nine months ended September 30, 2026, compared to $3.4 million during the nine months ended September 30, 2025. There was no interest paid to LFH related to the secured notes during the three months ended September 30, 2026 and 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, 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 $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.

15. 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 September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Basic earnings (loss) per share:				
Numerator				
Net income (loss) from continuing operations	**$ (109,670)**	$ (28,685)	**$ (103,358)**	$ 130,888
Less: Net income (loss) from continuing operations attributable to noncontrolling interest[1]	**(62,517)**	(19,807)	**(75,764)**	72,606
Less: Preferred Stock dividends[2]	**1,125**	—	**3,375**	—
Net income (loss) from continuing operations attributable to holders of Class A Common Stock - basic	**$ (48,278)**	$ (8,878)	**$ (30,969)**	$ 58,282
Net loss from discontinued operations	**$ —**	$ (1,172)	**$ —**	$ (5,922)
Less: Net loss from discontinued operations attributable to noncontrolling interest[1]	**—**	(535)	**—**	(3,257)
Net loss from discontinued operations attributable to holders of Class A Common Stock - basic	**$ —**	$ (637)	**$ —**	$ (2,665)
Denominator				
Weighted average shares of Class A Common Stock outstanding - basic	**9,217,211**	9,066,190	**8,879,238**	10,090,861
Basic earnings (loss) per share				
Continuing operations	**$ (5.24)**	$ (0.98)	**$ (3.49)**	$ 5.78
Discontinued operations	**—**	(0.07)	**—**	(0.27)
Basic earnings (loss) per share	**$ (5.24)**	$ (1.05)	**$ (3.49)**	$ 5.51

[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.*

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Diluted earnings (loss) per share:				
Numerator				
Net income (loss) from continuing operations attributable to holders of Class A Common Stock - basic	**$ (48,278)**	$ (8,878)	**$ (30,969)**	$ 58,282
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]	**(55,243)**	(14,524)	**(63,049)**	56,924
Exchangeable Secured Notes interest expense, net[2]	**—**	—	**—**	6,145
Convertible Notes fair value adjustment, net[3]	**(12,872)**	—	**(9,605)**	—
Preferred Stock dividends[4]	**—**	—	**—**	—
Net income (loss) from continuing operations attributable to holders of Class A Common Stock - diluted	**$ (116,393)**	$ (23,402)	**$ (103,623)**	$ 121,351
Net loss from discontinued operations attributable to holders of Class A Common Stock - basic	**$ —**	$ (637)	**$ —**	$ (2,665)
Reallocation of net loss from discontinued operations assuming exchange of Class A LLC Units[1]	**—**	(393)	**—**	(2,388)
Net loss from discontinued operations attributable to holders of Class A Common Stock - diluted	**$ —**	$ (1,030)	**$ —**	$ (5,053)
Denominator				
Weighted average shares of Class A Common Stock outstanding - basic	**9,217,211**	9,066,190	**8,879,238**	10,090,861
Effect of dilutive securities:				
Assumed exchange of weighted average Class A LLC Units for shares of Class A Common Stock[5]	**8,088,934**	10,169,605	**7,989,179**	12,334,167
Assumed exchange of Exchangeable Secured Notes for shares of Class A Common Stock[2]	**—**	—	**—**	5,337,928
Assumed conversion of Convertible Notes for shares of Class A Common Stock[3]	**1,944,444**	—	**2,128,611**	—
Assumed conversion of Preferred Stock for shares of Class A Common Stock[4]	**—**	—	**—**	—
Additional dilutive shares under the treasury stock method[6]	**—**	—	**—**	725,082
Weighted average shares of Class A Common Stock outstanding - diluted	**19,250,589**	19,235,795	**18,997,028**	28,488,038
Diluted earnings (loss) per share				
Continuing operations	**$ (6.05)**	$ (1.22)	**$ (5.45)**	$ 4.26
Discontinued operations	**—**	(0.05)	**—**	(0.18)
Diluted earnings (loss) per share	**$ (6.05)**	$ (1.27)	**$ (5.45)**	$ 4.08

[1] *For the three and nine months ended September 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 or, if later, the applicable issuance date. 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 nine months ended September 30, 2026 and 2025. Accordingly, reallocation adjustments of $(50.7) million and $(56.7) million to net income (loss) from continuing operations attributable to the controlling interest were included in the numerator

of diluted earnings (loss) per share for the three and nine months ended September 30, 2026, respectively, compared to $(14.5) million and $47.4 million for the three and nine months ended September 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 and nine months ended September 30, 2026 and the three months ended September 30, 2025, but was dilutive for the nine months ended September 30, 2025. Accordingly, reallocation adjustments of $(10.7) million and $(13.2) million to net loss from continuing operations attributable to the controlling interest were excluded from the numerator of diluted loss per share for the three and nine months ended September 30, 2026, respectively, and the reallocation adjustment of $(2.8) million was excluded from the numerator for the three months ended September 30, 2025. The reallocation adjustment of $9.5 million was included in the numerator of diluted earnings per share for the nine months ended September 30, 2025.

The assumed conversion of all Convertible Notes outstanding for shares of Class A Common Stock was dilutive for the three and nine months ended September 30, 2026, but was anti-dilutive for the three and nine months ended September 30, 2025. Accordingly, reallocation adjustments of $(4.5) million and $(6.3) million to net loss from continuing operations attributable to the controlling interest were included in the numerator of diluted loss per share for the three and nine months ended September 30, 2026, respectively. The reallocation adjustments of $(0.9) million and $0.7 million were excluded from the numerator of diluted earnings (loss) per share for the three and nine months ended September 30, 2025, respectively.

The assumed conversion of all Preferred Stock outstanding for shares of Class A Common Stock was anti-dilutive for the three and nine months ended September 30, 2026. Accordingly, reallocation adjustments of $(3.5) million and $(4.3) million to net loss from continuing operations attributable to the controlling interest were excluded from the numerator of diluted loss per share for the three and nine months ended September 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 nine months ended September 30, 2026 and 2025. The potentially dilutive shares related to the Exchangeable Secured Notes were anti-dilutive for the three and nine months ended September 30, 2026 and the three months ended September 30, 2025 and were excluded from the computation of diluted loss per share. Accordingly, $2.2 million and $6.3 million of interest expense related to the Exchangeable Secured Notes, including amortization of debt discount and issuance costs, and net of income tax effects, were not added back to the numerator in calculating diluted loss per share for the three and nine months ended September 30, 2026, respectively, and $1.9 million of interest expense was not added back to the numerator for the three months ended September 30, 2025. The assumed exchange of all Exchangeable Secured Notes outstanding for shares of Class A Common Stock was dilutive for the nine months ended September 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 or, if later, the issuance date of the Convertible Notes.

The Company had 1,944,444 and 2,128,611 dilutive shares related to the Convertible Notes for the three and nine months ended September 30, 2026, respectively, compared to 1,400,966 and 472,120 potentially dilutive shares for the three and nine months ended September 30, 2025, respectively. The potentially dilutive shares related to the Convertible Notes were anti-dilutive for the three and nine months ended September 30, 2025 and were excluded from the computation of diluted earnings (loss) per share. Accordingly, the fair value adjustment of $7.2 million, net of income tax effects, was not reversed for the three and nine months ended September 30, 2025.

(4) As the Preferred Stock is not a participating security, the Company calculates diluted 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 loss per share from continuing operations. If dilutive, the denominator of diluted 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 nine months ended September 30, 2026. The potentially dilutive shares related to the Preferred Stock were anti-dilutive for the three and nine months ended September 30, 2026 and were excluded from the computation of diluted loss per share. Accordingly, $1.1 million and $3.4 million of Preferred Stock dividends were not added back to the numerator in calculating diluted loss per share for the three and nine months ended September 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 nine months ended September 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 377,309 and 468,811 potentially dilutive shares related to RSUs under the treasury stock method for the three and nine months ended September 30, 2026, respectively, compared to 640,545 and 725,082 potentially dilutive shares for the three and nine months ended September 30, 2025, respectively. The potentially dilutive shares related to RSUs were anti-dilutive for the three and nine months ended September 30, 2026 and the three months ended September 30, 2025 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 nine months ended September 30, 2026, compared to 720,000 potentially dilutive shares for both the three and nine months ended September 30, 2025. The potentially dilutive shares related to the options were anti-dilutive for the three and nine months ended September 30, 2026 and 2025 and were excluded from the computation of diluted earnings (loss) per share.

16. Subsequent Events

Senior Secured Notes

In October 2026, the Company elected to extend the maturity date of $90.8 million of its senior secured notes (the "Senior Secured Notes") from November 30, 2026 to November 30, 2027, in accordance with the terms of the Senior Secured Notes indenture. The remaining $60.0 million principal amount of the Senior Secured Notes will mature on November 30, 2026.

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 origination 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 financial 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 FOA Intelligence, or FOAi, 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 during the first nine months 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:

- 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;
- prevailing interest rates, which impact loan origination volume, with declining interest rates generally leading to increases in volume and increasing interest rates generally leading to decreases in volume, as well as movements in market interest rates and yields required by investors, with increases generally having negative impacts on the fair value of our financial assets and decreases generally having positive impacts;
- 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 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.

Macroeconomic Conditions

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. In September 2026, the U.S. Federal Reserve increased the target range for the federal funds rate by 25 basis points. Higher interest rates generally lead to lower mortgage transaction

volumes, increased competition, and lower profit margins. During the three months ended September 30, 2026, an increase in interest rates resulted in negative non-cash fair value adjustments to certain assets in our portfolio and placed pressure on reverse mortgage origination margins. In response to these market conditions, in October 2026, we implemented changes to our products and pricing intended to improve reverse mortgage origination 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. The U.S. Federal Reserve has indicated that additional increases to the target range for the federal funds rate may be implemented in the future to combat persistent inflation. However, future changes in monetary policy, including potential adjustments to interest rates, remain uncertain and may be influenced by inflation, employment, and other economic conditions. These continuing economic impacts may cause additional volatility in the financial markets and may have an adverse effect on the Company's future results of 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 September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Portfolio interest income:				
Interest income	**$ 589,379**	$ 482,132	**$ 1,547,057**	$ 1,444,534
Interest expense	**(527,785)**	(404,031)	**(1,364,278)**	(1,236,534)
Net portfolio interest income	**61,594**	78,101	**182,779**	208,000
Other income (expense):				
Net origination gains	**59,451**	59,933	**186,914**	162,029
Gains on securitization of HECM tails, net	**19,456**	11,654	**44,743**	32,990
Fair value changes from model amortization	**(51,999)**	(41,293)	**(120,218)**	(117,705)
Fair value changes from market inputs or model assumptions	**(141,879)**	(21,872)	**(153,498)**	161,330
Net fair value changes on loans and related obligations	**(114,971)**	8,422	**(42,059)**	238,644
Fee income	**7,918**	8,813	**21,484**	21,898
Non-funding interest expense, net	**(12,489)**	(14,488)	**(37,529)**	(44,623)
Net other income (expense)	**(119,542)**	2,747	**(58,104)**	215,919
Total revenues	**(57,948)**	80,848	**124,675**	423,919
Expenses				
Salaries, benefits, and related expenses	**44,430**	37,245	**129,301**	108,149
Loan production and portfolio related expenses	**12,655**	25,527	**45,355**	46,319
Loan servicing expenses	**9,310**	8,168	**24,499**	23,434
Marketing and advertising expenses	**14,428**	11,231	**44,981**	34,227
Amortization and depreciation	**9,980**	9,643	**29,761**	28,955
General and administrative expenses	**13,675**	12,780	**42,036**	38,939
Total expenses	**104,478**	104,594	**315,933**	280,023
Other, net	**32,667**	(4,809)	**26,700**	(8,803)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	**$ (129,759)**	$ (28,555)	**$ (164,558)**	$ 135,093

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 September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Interest income:				
Interest income on mortgage loans	**$ 585,521**	$ 478,536	**$ 1,531,749**	$ 1,434,459
Other interest income	**3,858**	3,596	**15,308**	10,075
Total portfolio interest income	**589,379**	482,132	**1,547,057**	1,444,534
Interest expense:				
Interest expense on HMBS and nonrecourse obligations[(1)]	**(505,110)**	(381,017)	**(1,295,916)**	(1,174,388)
Interest expense on other financing lines of credit	**(22,675)**	(23,014)	**(68,362)**	(62,146)
Total portfolio interest expense	**(527,785)**	(404,031)	**(1,364,278)**	(1,236,534)
Net portfolio interest income	**61,594**	78,101	**182,779**	208,000
Non-funding interest expense, net	**(12,489)**	(14,488)	**(37,529)**	(44,623)
Net interest income	**$ 49,105**	$ 63,613	**$ 145,250**	$ 163,377

[(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 September 30, 2026 versus the three months ended September 30, 2025

Net loss from continuing operations before income taxes increased $101.2 million primarily as a result of the following:

- Fair value changes from market inputs or model assumptions decreased $120.0 million primarily due to net changes in interest rates, yields, home price appreciation, and other inputs, which generated higher net fair value losses during the three months ended September 30, 2026 compared to 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 $16.5 million primarily due to gains on extinguishment of debt recognized during the three months ended September 30, 2025, compared to no such gains during the 2026 period, related to purchases of securities that were previously issued by consolidated trusts, which was partially offset by increased net portfolio interest income related to the OMC Transaction. Fair value changes from model amortization decreased $10.7 million, which was partially offset by a $7.8 million increase in gains on securitization of HECM tails, net, related to the OMC Transaction.
- Net origination gains decreased $0.5 million as higher reverse mortgage loan origination volume was offset by lower margins resulting from the increase in interest rates during the period. We recognized $59.5 million in net origination gains on loan originations of $748.4 million for the three months ended September 30, 2026 compared to $59.9 million in net origination gains on loan originations of $602.9 million for the comparable 2025 period.
- Non-funding interest expense, net, decreased $2.0 million during the three months ended September 30, 2026 compared to the 2025 period primarily due to lower outstanding balances on our working capital promissory notes and senior notes.
- Total expenses decreased $0.1 million primarily due to decreased loan portfolio related expenses as a result of lower securitization expenses. We issued $1.7 billion of notes during the three months ended September 30, 2026 compared to $3.2 billion during the 2025 period. This was offset by increases in salaries, benefits, and related expenses as a result of higher compensation associated with increased loan production, particularly in our retail channel, as well as an increase in marketing and advertising expenses related to our investment in marketing to support future loan origination volume growth.

- Other, net, increased $37.5 million primarily due to a $30.2 million fair value gain on convertible notes resulting from changes in FOA's stock price during the three months ended September 30, 2026 compared to a $9.8 million fair value loss in the 2025 period.

For the nine months ended September 30, 2026 versus the nine months ended September 30, 2025

Net income (loss) from continuing operations before income taxes decreased $299.7 million primarily as a result of the following:

- Fair value changes from market inputs or model assumptions decreased $314.8 million primarily due to net changes in interest rates, yields, home price appreciation, and other inputs, which generated net fair value losses during the nine months ended September 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 $25.2 million primarily due to lower gains on extinguishment of debt recognized during the nine months ended September 30, 2026 compared to the 2025 period related to purchases of securities that were previously issued by consolidated trusts, and a higher cost of funds within our securitized portfolio, which was partially offset by increased net portfolio interest income related to the OMC Transaction. Gains on securitization of HECM tails, net, increased $11.8 million as a result of the OMC Transaction.
- Net origination gains increased $24.9 million as a result of higher reverse mortgage loan origination volume. We recognized $186.9 million in net origination gains on reverse mortgage loan originations of $2.1 billion for the nine months ended September 30, 2026 compared to $162.0 million in net origination gains on loan originations of $1.8 billion for the comparable 2025 period.
- Non-funding interest expense, net, decreased $7.1 million during the nine months ended September 30, 2026 compared to the 2025 period primarily due to lower outstanding balances on our working capital promissory notes and senior notes.
- Total expenses increased $35.9 million primarily due to increases in salaries, benefits, and related expenses as a result of higher compensation associated with increased loan production, particularly in our retail channel, as well as increased headcount to support the Company's investment in our technology initiatives, and an increase in marketing and advertising expenses related to our investment in marketing to support future loan origination volume growth. This was partially offset by a decrease in loan portfolio related expenses as a result of lower securitization expenses. We issued $4.6 billion of notes during the nine months ended September 30, 2026 compared to $4.9 billion for the 2025 period.
- Other, net, increased $35.5 million primarily due to a $22.9 million fair value gain on convertible notes resulting from changes in FOA's stock price during the nine months ended September 30, 2026 compared to a $9.8 million fair value loss in the 2025 period, as well as valuation changes in certain non-operating assets and deferred purchase price liabilities.

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 12 - 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 nine months ended September 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 September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Net origination gains	**$ 59,451**	$ 59,933	**$ 186,914**	$ 162,029
Fee income	**7,572**	8,186	**20,587**	20,158
Total revenues	**67,023**	68,119	**207,501**	182,187
Total expenses	**64,518**	50,783	**184,903**	151,219
NET INCOME BEFORE INCOME TAXES	**$ 2,505**	$ 17,336	**$ 22,598**	$ 30,968

Key Metrics

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

	Three months ended September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Reverse mortgage loan origination volume				
Loan origination volume[(1)]	**$ 748,409**	$ 602,888	**$ 2,074,452**	$ 1,765,845
Loan origination volume - tails[(2)]	**285,763**	237,902	**747,504**	703,682
Total loan origination volume	**$ 1,034,172**	$ 840,790	**$ 2,821,956**	$ 2,469,527
Reverse mortgage loan origination volume - units[(1)]	**3,131**	2,441	**8,685**	7,213
Reverse mortgage loan origination volume - by channel[(1)]				
TPO	**$ 445,401**	$ 406,133	**$ 1,281,852**	$ 1,189,178
Retail	**303,008**	196,755	**792,600**	576,667
Total reverse mortgage loan origination volume	**$ 748,409**	$ 602,888	**$ 2,074,452**	$ 1,765,845

[(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 that are added to the balance of the reverse mortgage loans and that 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 September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Net origination gains:				
TPO	**$ 51,490**	$ 54,956	**$ 167,176**	$ 151,919
Retail	**32,128**	24,632	**93,185**	64,847
Acquisition costs	**(24,167)**	(19,655)	**(73,447)**	(54,737)
Total net origination gains	**59,451**	59,933	**186,914**	162,029
Fee income	**7,572**	8,186	**20,587**	20,158
Total revenues	**$ 67,023**	$ 68,119	**$ 207,501**	$ 182,187

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

Total revenues decreased $1.1 million or 1.6% primarily due to lower net origination gains, which decreased $0.5 million or 0.8% as higher reverse mortgage loan origination volume was offset by lower margins resulting from the increase in interest rates during the period. We originated $748.4 million of reverse mortgage loans for the three months ended September 30, 2026, an increase of 24.1%, compared to $602.9 million for the comparable 2025 period. During the three months ended September 30, 2026, the average margin on reverse mortgage loan production was 7.9% compared to 9.9% in the 2025 period, a decrease of 2.0%.

For the nine months ended September 30, 2026 versus the nine months ended September 30, 2025

Total revenues increased $25.3 million or 13.9% primarily due to higher net origination gains, which increased $24.9 million or 15.4% as a result of higher reverse mortgage loan origination volume. We originated $2.1 billion of reverse mortgage loans for the nine months ended September 30, 2026, an increase of 17.5%, compared to $1.8 billion for the comparable 2025 period.

Expenses

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

	Three months ended September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Salaries	**$ 18,615**	$ 15,274	**$ 52,667**	$ 44,341
Commissions and bonuses	**8,654**	5,483	**22,669**	16,603
Other salary related expenses	**2,909**	2,284	**8,935**	7,302
Total salaries, benefits, and related expenses	**30,178**	23,041	**84,271**	68,246
Loan production expenses	**3,843**	1,621	**8,682**	4,398
Marketing and advertising expenses	**14,415**	11,230	**44,942**	34,217
Amortization and depreciation	**9,524**	9,328	**28,342**	27,985
General and administrative expenses	**6,558**	5,563	**18,666**	16,373
Total expenses	**$ 64,518**	$ 50,783	**$ 184,903**	$ 151,219

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

Total expenses increased $13.7 million or 27.0% as a result of the following:

- Total salaries, benefits, and related expenses increased $7.1 million primarily due to higher compensation associated with increased loan production, particularly in our retail channel.
- Marketing and advertising expenses increased $3.2 million due to our investment in marketing to support future loan origination volume growth.

For the nine months ended September 30, 2026 versus the nine months ended September 30, 2025

Total expenses increased $33.7 million or 22.3% as a result of the following:

- Total salaries, benefits, and related expenses increased $16.0 million primarily due to higher compensation associated with increased loan production, particularly in our retail channel.
- Marketing and advertising expenses increased $10.7 million due to our investment in marketing to support future loan origination volume growth.

Portfolio Management Segment

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

	Three months ended September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Portfolio interest income:				
Interest income	**$ 589,379**	$ 482,132	**$ 1,547,057**	$ 1,444,534
Interest expense	**(527,785)**	(404,031)	**(1,364,278)**	(1,236,534)
Net portfolio interest income	**61,594**	78,101	**182,779**	208,000
Other income (expense):				
Gains on securitization of HECM tails, net	**19,456**	11,654	**44,743**	32,990
Fair value changes from model amortization	**(51,999)**	(41,293)	**(120,218)**	(117,705)
Fair value changes from market inputs or model assumptions	**(141,879)**	(21,872)	**(153,498)**	161,330
Net fair value changes on loans and related obligations	**(174,422)**	(51,511)	**(228,973)**	76,615
Fee income	**469**	750	**1,266**	2,109
Net other income (expense)	**(173,953)**	(50,761)	**(227,707)**	78,724
Total revenues	**(112,359)**	27,340	**(44,928)**	286,724
Total expenses	**25,583**	38,258	**82,913**	84,260
NET INCOME (LOSS) BEFORE INCOME TAXES	**$ (137,942)**	$ (10,918)	**$ (127,841)**	$ 202,464

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

	September 30, 2026	**December 31, 2025**
Cash and cash equivalents	**$ 55,959**	$ 33,028
Restricted cash	**682,325**	234,885
Loans held for investment, subject to HMBS related obligations, at fair value	**25,157,687**	19,135,403
Loans held for investment, subject to nonrecourse debt, at fair value	**10,685,569**	10,026,177
Loans held for investment, at fair value	**525,374**	870,081
Other assets, net	**318,781**	158,944
Total earning assets	**37,425,695**	30,458,518
HMBS related obligations, at fair value	**24,848,685**	18,912,226
Nonrecourse debt, at fair value	**10,866,225**	9,736,493
Other financing lines of credit	**1,272,254**	1,187,699
Payables and other liabilities	**12,344**	55,524
Total financing of portfolio	**36,999,508**	29,891,942
Net carrying value of earning assets	**$ 426,187**	$ 566,576

Key Metrics

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

	September 30, 2026	December 31, 2025
Reverse Mortgage Loans		
Active unpaid principal balance ("UPB")	**$ 34,009,376**	$ 27,833,679
Due and payable	**774,638**	516,618
Foreclosure	**717,531**	559,300
Claims pending	**144,551**	98,477
Ending UPB	**$ 35,646,096**	$ 29,008,074
Loan count	**108,994**	88,493
Average UPB	**$ 327**	$ 328
Weighted average coupon	**6.88 %**	6.71 %
Weighted average age (in months)	**53**	50
Percentage of UPB in foreclosure	**2.0 %**	1.9 %

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Capital Markets Transactions[(1)]				
Number of securitizations	**1**	2	**5**	5
Notes issued	**$ 1,671,858**	$ 3,205,566	**$ 4,563,921**	$ 4,938,824

(1) Includes only securitizations recorded in Nonrecourse debt, at fair value, in the Condensed Consolidated Statements of Financial Condition.

Revenues

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

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Portfolio interest income:				
Interest income	**$ 589,379**	$ 482,132	**$ 1,547,057**	$ 1,444,534
Interest expense	**(527,785)**	(404,031)	**(1,364,278)**	(1,236,534)
Net portfolio interest income	**61,594**	78,101	**182,779**	208,000
Other income (expense):				
Gains on securitization of HECM tails, net	**19,456**	11,654	**44,743**	32,990
Fair value changes from model amortization	**(51,999)**	(41,293)	**(120,218)**	(117,705)
Fair value changes from market inputs or model assumptions	**(141,879)**	(21,872)	**(153,498)**	161,330
Net fair value changes on loans and related obligations	**(174,422)**	(51,511)	**(228,973)**	76,615
Fee income	**469**	750	**1,266**	2,109
Net other income (expense)	**(173,953)**	(50,761)	**(227,707)**	78,724
Total revenues	**$ (112,359)**	$ 27,340	**$ (44,928)**	$ 286,724

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 September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Interest income:				
Interest income on mortgage loans	**$ 585,521**	$ 478,536	**$ 1,531,749**	$ 1,434,459
Other interest income	**3,858**	3,596	**15,308**	10,075
Total portfolio interest income	**589,379**	482,132	**1,547,057**	1,444,534
Interest expense:				
Interest expense on HMBS and nonrecourse obligations[(1)]	**(505,110)**	(381,017)	**(1,295,916)**	(1,174,388)
Interest expense on other financing lines of credit	**(22,675)**	(23,014)	**(68,362)**	(62,146)
Total portfolio interest expense	**(527,785)**	(404,031)	**(1,364,278)**	(1,236,534)
Net portfolio interest income	**$ 61,594**	$ 78,101	**$ 182,779**	$ 208,000

[(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 September 30, 2026 versus the three months ended September 30, 2025

Total revenues decreased $139.7 million as a result of the following:

- Fair value changes from market inputs or model assumptions decreased $120.0 million primarily due to net changes in interest rates, yields, home price appreciation, and other inputs, which generated higher net fair value losses during the three months ended September 30, 2026 compared to 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 $16.5 million primarily due to gains on extinguishment of debt recognized during the three months ended September 30, 2025, compared to no such gains during the 2026 period, related to purchases of securities that were previously issued by consolidated trusts, which was partially offset by increased net portfolio interest income related to the OMC Transaction. Fair value changes from model amortization decreased $10.7 million, which was partially offset by a $7.8 million increase in gains on securitization of HECM tails, net, related to the OMC Transaction.

For the nine months ended September 30, 2026 versus the nine months ended September 30, 2025

Total revenues decreased $331.7 million as a result of the following:

- Fair value changes from market inputs or model assumptions decreased $314.8 million primarily due to net changes in interest rates, yields, home price appreciation, and other inputs, which generated net fair value losses during the nine months ended September 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 $25.2 million primarily due to lower gains on extinguishment of debt recognized during the nine months ended September 30, 2026 compared to the 2025 period related to purchases of securities that were previously issued by consolidated trusts, and a higher cost of funds within our securitized portfolio, which was partially offset by increased net portfolio interest income related to the OMC Transaction. Gains on securitization of HECM tails, net, increased $11.8 million as a result of the OMC Transaction.

Expenses

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

	Three months ended September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Salaries	**$ 3,456**	$ 2,906	**$ 10,020**	$ 8,611
Commissions and bonuses	**482**	495	**1,469**	1,406
Other salary related expenses	**384**	269	**1,431**	1,010
Total salaries, benefits, and related expenses	**4,322**	3,670	**12,920**	11,027
Loan portfolio related expenses	**8,812**	23,906	**36,673**	41,921
Loan servicing expenses	**9,310**	8,168	**24,499**	23,434
Amortization and depreciation	**5**	5	**15**	39
General and administrative expenses	**3,134**	2,509	**8,806**	7,839
Total expenses	**$ 25,583**	$ 38,258	**$ 82,913**	$ 84,260

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

Total expenses decreased $12.7 million or 33.1% primarily due to lower loan portfolio related expenses, which decreased $15.1 million due to a decline in securitization expenses during the three months ended September 30, 2026 compared to the 2025 period. We issued $1.7 billion of notes during the three months ended September 30, 2026 compared to $3.2 billion during the 2025 period. This decrease was partially offset by a $1.1 million increase in loan servicing expenses associated with the OMC HECM portfolio acquired on June 30, 2026.

For the nine months ended September 30, 2026 versus the nine months ended September 30, 2025

Total expenses decreased $1.3 million or 1.6% primarily due to lower loan portfolio related expenses, which decreased $5.2 million due to a decline in securitization expenses during the nine months ended September 30, 2026 compared to the 2025 period. We issued $4.6 billion of notes during the nine months ended September 30, 2026 compared to $4.9 billion during the 2025 period. This decrease was partially offset by a $1.1 million increase in loan servicing expenses associated with the OMC HECM portfolio acquired on June 30, 2026.

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 costs 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 September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Fee income	**$ (123)**	$ (123)	**$ (369)**	$ (369)
Non-funding interest expense, net	**(12,489)**	(14,488)	**(37,529)**	(44,623)
Total revenues	**(12,612)**	(14,611)	**(37,898)**	(44,992)
Total expenses	**14,377**	15,553	**48,117**	44,544
Other, net	**32,667**	(4,809)	**26,700**	(8,803)
NET INCOME (LOSS) BEFORE INCOME TAXES	**$ 5,678**	$ (34,973)	**$ (59,315)**	$ (98,339)

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

	Three months ended September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Salaries and bonuses	**$ 17,195**	$ 15,431	**$ 49,821**	$ 42,405
Other salary related expenses	**1,376**	1,971	**7,185**	6,251
Shared services - payroll allocations	**(8,641)**	(6,868)	**(24,896)**	(19,780)
Total salaries, benefits, and related expenses	**9,930**	10,534	**32,110**	28,876
Marketing and advertising expenses	**13**	1	**39**	10
Amortization and depreciation	**451**	310	**1,404**	931
Communications and data processing and other expenses	**4,505**	4,543	**14,397**	14,484
Professional and consulting fees	**3,342**	3,099	**10,657**	9,849
Shared services - general and administrative allocations	**(3,864)**	(2,934)	**(10,490)**	(9,606)
Total general and administrative expenses	**3,983**	4,708	**14,564**	14,727
Total expenses	**$ 14,377**	$ 15,553	**$ 48,117**	$ 44,544

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

Non-funding interest expense, net, decreased $2.0 million during the three months ended September 30, 2026 compared to the 2025 period primarily due to lower outstanding balances on our working capital promissory notes and senior notes.

Other, net, increased $37.5 million primarily due to a $30.2 million fair value gain on convertible notes resulting from changes in FOA's stock price during the three months ended September 30, 2026 compared to a $9.8 million fair value loss in the 2025 period.

For the nine months ended September 30, 2026 versus the nine months ended September 30, 2025

Non-funding interest expense, net, decreased $7.1 million during the nine months ended September 30, 2026 compared to the 2025 period primarily due to lower outstanding balances on our working capital promissory notes and senior notes.

Total expenses increased $3.6 million or 8.0% due to higher salaries, benefits, and related expenses, net of shared services allocations, which increased $3.2 million during the nine months ended September 30, 2026 when compared to the 2025 period primarily due to increased headcount to support the Company's investment in technology initiatives.

Other, net, increased $35.5 million primarily due to a $22.9 million fair value gain on convertible notes resulting from changes in FOA's stock price during the nine months ended September 30, 2026 compared to a $9.8 million fair value loss in the 2025 period, as well as valuation changes in certain non-operating assets and deferred purchase price liabilities.

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 total revenues, 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 total revenues, net income (loss), operating cash flows, or any other performance measures determined in accordance with U.S. GAAP. Adjusted total revenues, 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 total revenues, 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 Total Revenues

We define adjusted total revenues as total revenues adjusted for:

1. Changes in fair value of our portfolio assets and liabilities, including loans, retained bonds, and related obligations, due to valuation inputs and assumptions.
2. Amortization of the discount on senior notes resulting from the fair value measurement at issuance.

Management considers adjusted total revenues 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 total revenues 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 total revenues provides visibility to the underlying operating performance by excluding the impact of certain items that management does not believe are representative of our core revenues. Adjusted total revenues 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 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 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 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 total revenues to adjusted total revenues and 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 September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Reconciliation of total revenues to adjusted total revenues				
Total revenues	**$ (57,948)**	$ 80,848	**$ 124,675**	$ 423,919
Adjustments for:				
Changes in fair value of portfolio assets and liabilities	**142,552**	21,872	**166,746**	(161,330)
Amortization of the discount on senior notes	**4,563**	4,428	**13,402**	13,051
Adjusted total revenues	**$ 89,167**	$ 107,148	**$ 304,823**	$ 275,640
Reconciliation of net income (loss) from continuing operations to adjusted net income and adjusted EBITDA				
Net income (loss) from continuing operations	**$ (109,670)**	$ (28,685)	**$ (103,358)**	$ 130,888
Add back: (Provision) benefit for income taxes	**20,089**	(130)	**61,200**	(4,205)
Net income (loss) from continuing operations before income taxes	**(129,759)**	(28,555)	**(164,558)**	135,093
Adjustments for:				
Changes in fair value[(1)]	**124,516**	60,162	**193,463**	(91,162)
Amortization of intangible assets	**9,297**	9,297	**27,891**	27,891
Equity-based compensation	**3,486**	2,600	**10,272**	7,404
Certain non-recurring costs	**433**	1,095	**2,410**	2,019
Adjusted net income before income taxes	**7,973**	44,599	**69,478**	81,245
Provision for income taxes	**(2,097)**	(11,859)	**(18,275)**	(21,539)
Adjusted net income	**5,876**	32,740	**51,203**	59,706
Provision for income taxes	**2,097**	11,859	**18,275**	21,539
Depreciation	**683**	346	**1,870**	1,064
Interest expense on non-funding debt	**7,926**	10,067	**24,130**	32,007
Adjusted EBITDA	**$ 16,582**	$ 55,012	**$ 95,478**	$ 114,316
GAAP Per Share Measures				
Net income (loss) from continuing operations attributable to holders of Class A Common Stock	**$ (48,278)**	$ (8,878)	**$ (30,969)**	$ 58,282
Basic weighted average shares outstanding	**9,217,211**	9,066,190	**8,879,238**	10,090,861
Basic earnings (loss) per share from continuing operations	**$ (5.24)**	$ (0.98)	**$ (3.49)**	$ 5.78
If-converted method net income (loss) from continuing operations	**$ (116,393)**	$ (23,402)	**$ (103,623)**	$ 121,351
Diluted weighted average shares outstanding	**19,250,589**	19,235,795	**18,997,028**	28,488,038
Diluted earnings (loss) per share from continuing operations	**$ (6.05)**	$ (1.22)	**$ (5.45)**	$ 4.26
Non-GAAP Per Share Measures				
Adjusted net income	**$ 5,876**	$ 32,740	**$ 51,203**	$ 59,706
Exchangeable Secured Notes interest expense[(2)]	**—**	2,640	**8,102**	7,899
Total	**$ 5,876**	$ 35,380	**$ 59,305**	$ 67,605
Weighted average shares outstanding	**21,056,469**	26,615,234	**26,232,338**	28,960,158
Adjusted earnings per share	**$ 0.28**	$ 1.33	**$ 2.26**	$ 2.33

	September 30, 2026	December 31, 2025
GAAP Book Value Per Common Share		
Total equity	**$ 306,996**	$ 395,627
Less: Preferred Stock	**50,000**	50,000
Less: Noncontrolling interest	**(1,828)**	71,755
Total equity attributable to common stock	**$ 258,824**	$ 273,872
Class A Common Stock outstanding	**9,217,956**	7,899,344
Book value per common share	**$ 28.08**	$ 34.67
Non-GAAP Tangible Equity Per Share		
Total equity	**$ 306,996**	$ 395,627
Less: Intangible assets, net	**151,723**	179,615
Tangible equity	**$ 155,273**	$ 216,012
Class A Common Stock outstanding	**9,217,956**	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	**18,735,461**	17,709,736
Tangible equity per share	**$ 8.29**	$ 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 or other sources of financing may not be available 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):

	Nine months ended September 30,	
	2026	**2025**
Net cash provided by (used in):		
Operating activities	**$ (487,692)**	$ (338,303)
Investing activities	**130,185**	447,104
Financing activities	**833,868**	(8,376)
Effect of exchange rate changes on cash and cash equivalents	**—**	(7)
Net increase in cash and cash equivalents and restricted cash	**$ 476,361**	$ 100,418
Net increase in cash and cash equivalents	**$ 28,882**	$ 62,410
Net increase in restricted cash	**447,479**	38,008

Our cash and cash equivalents and restricted cash increased by $476.4 million for the nine months ended September 30, 2026 compared to an increase of $100.4 million during the comparable period in 2025. Our cash and cash equivalents, excluding restricted cash, increased $28.9 million for the nine months ended September 30, 2026 compared to an increase of $62.4 million during the comparable period in 2025. Our restricted cash increased $447.5 million during the nine months ended September 30, 2026, which was primarily attributable to cash held in connection with a securitization completed during the third quarter of 2026 that will be used to purchase additional collateral for the securitization.

Operating Cash Flow

Cash flows from operating activities decreased by $149.4 million for the nine months ended September 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 $316.9 million in cash flows from our investing activities during the nine months ended September 30, 2026 compared to the 2025 period was primarily attributable to a $472.9 million increase in cash used for purchases and originations of loans held for investment, net of proceeds/payments, and a $117.5 million cash outlay for the OMC Transaction. This was partially offset by a $260.3 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 $842.2 million in cash flows from our financing activities during the nine months ended September 30, 2026 compared to the 2025 period was primarily driven by a $445.2 million increase in proceeds from nonrecourse debt, net of payments, a $207.2 million decrease in payments on HMBS related obligations, net of proceeds, a $193.3 million decrease in payments on other financing lines of credit, net of proceeds, and a $45.0 million decrease in payments on notes payable, net of proceeds. This was partially offset by $41.6 million of cash used for the repurchase of Class A Common Stock and Class A LLC Units and $3.4 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 September 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%.

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 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. Accordingly, FAR requested and received a waiver from Ginnie Mae for the leverage ratio requirement. 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 September 30, 2026, FAR was in compliance with all Ginnie Mae requirements.

Refer to Note 13 - 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 September 30, 2026, our total debt obligations were $37.3 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 September 30, 2026, we had HMBS related obligations of $24.8 billion and HECM loans pledged as collateral to the pools of $25.2 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 September 30, 2026, we had $10.9 billion of nonrecourse debt-related borrowings secured by $10.7 billion of loans held for investment pledged as collateral, both recorded at fair value, as well as $675.7 million of related restricted cash.

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 September 30, 2026, we had $1.1 billion in warehouse lines of credit capacity primarily collateralized by first and second lien mortgages, with a $632.8 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 September 30, 2026 (in thousands):

Warehouse Facilities	Maturity Date	Total Capacity	Outstanding Balance
Committed	October 2026[(1)] - October 2027	$ 435,000	**$ 343,409**
Uncommitted	October 2026[(1)] - June 2027	705,000	**289,439**
Total warehouse facilities		$ 1,140,000	**$ 632,848**

[(1)] The warehouse lines of credit with a maturity date in October 2026 have been renewed subsequent to September 30, 2026.

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 September 30, 2026, we collectively had $919.3 million in additional secured facilities with $639.4 million aggregate principal amount drawn through credit agreements or master repurchase agreements with six funding facility arrangements with 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 September 30, 2026 (in thousands):

Other Secured Lines of Credit	Maturity Date	Total Capacity	Outstanding Balance
Committed	Various[1]	$ 849,251	**$ 602,334**
Uncommitted	October 2026[2] - March 2027	70,000	**37,072**
Total other secured lines of credit		$ 919,251	**$ 639,406**

[1] These lines of credit are generally tied to the maturity date of the underlying mortgage related assets or HECM MSR that have been pledged as collateral.
[2] The line of credit with a maturity date in October 2026 has been renewed subsequent to September 30, 2026.

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 September 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 September 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%	**35,000**
LFH Promissory Note	August 2027	10.000%	**20,000**
Total principal amount of notes payable			**$ 352,547**

[1] As discussed in the Senior Secured Notes section below and in Note 16 - Subsequent Events in the Notes to Condensed Consolidated Financial Statements, in October 2026, the Company elected to extend the maturity date of $90.8 million of the Senior Secured Notes to November 30, 2027.

Senior Secured Notes

FOAF is required to repay an aggregate principal amount of $60.0 million of the Senior Secured Notes on November 30, 2026 (the "Scheduled Maturity Date"). In October 2026, FOAF elected to extend the maturity date of the remaining $90.8 million principal amount from November 30, 2026 to November 30, 2027 (the "Extended Maturity Date"), as discussed in Note 16 - Subsequent Events in the Notes to Condensed Consolidated Financial Statements. The Senior Secured Notes bear interest at a rate of 8.875% per annum through the Scheduled 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 were 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 are convertible at $19.00 per share thereafter, in each case, subject to customary adjustments. During the three months ended September 30, 2026, pursuant to the convertible note purchase agreements, certain holders converted an aggregate principal amount of $5.0 million of Convertible Notes into 277,777 shares of Class A Common Stock. As of September 30, 2026, the remaining principal balance of the Convertible Notes is $35.0 million. If neither the Company nor the holder elects to convert the Convertible Notes, the principal amount will be payable at maturity.

LFH Promissory Note

On August 4, 2025, the Company entered into an unsecured working capital promissory note with Libman Family Holdings, LLC ("LFH"), an affiliate of the Company (the "LFH Promissory Note"). On August 4, 2026, the LFH Promissory Note was amended and restated. The amended and restated LFH Promissory Note provides for an uncommitted revolving facility of up to $20.0 million, provided that the Company may request that LFH grant a one-time temporary increase in the facility of up to $30.0 million for a period not to exceed 90 days, which, if granted, would result in an uncommitted revolving facility of up to $50.0 million. The amended and restated LFH Promissory Note accrues interest at a rate of 10% per annum and matures on August 4, 2027.

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

Refer to Note 14 - 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 September 30, 2026 (in thousands):

	Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
Contractual cash obligations:					
Nonrecourse debt	$ 11,654,953	$ 1,410,631	$ 2,013,343	$ 2,766,813	$ 5,464,166
Warehouse lines of credit	632,848	375,195	257,653	—	—
Other secured lines of credit	639,406	135,428	37,500	—	466,478
Notes payable[(1)]	352,547	170,754	35,000	146,793	—
Operating leases	28,342	5,157	7,490	6,775	8,920
Total	$ 13,308,096	$ 2,097,165	$ 2,350,986	$ 2,920,381	$ 5,939,564

[(1)] Amounts represent principal balances and exclude unamortized debt discount and issuance costs, as well as fair value adjustments related to the Convertible Notes. In October 2026, the Company elected to extend the maturity date of $90.8 million of the Senior Secured Notes from November 30, 2026 to November 30, 2027, as discussed in Note 16 - Subsequent Events in the Notes to Condensed Consolidated Financial Statements.

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 principal payments on these HMBS related obligations 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 $23.6 billion as of September 30, 2026.

The Company's TRA obligation may require payments that could 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 10 - 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 September 30, 2026 (in thousands):

	Down 25 bps	Up 25 bps
Increase (decrease) in assets		
Loans held for investment, subject to HMBS related obligations	**$ 51,765**	**$ (64,388)**
Loans held for investment, subject to nonrecourse debt	**160,775**	**(157,953)**
Loans held for investment	**5,051**	**(4,952)**
Total assets	**$ 217,591**	**$ (227,293)**
Increase (decrease) in liabilities		
HMBS related obligations	**$ 45,824**	**$ (57,853)**
Nonrecourse debt	**118,465**	**(149,505)**
Total liabilities	**$ 164,289**	**$ (207,358)**

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 September 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 September 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 by this Part II, Item 1 can be found under "Litigation" in Note 10 - Commitments and Contingencies 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 "Macroeconomic Conditions" 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

Trading Plans

During the quarter ended September 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

		Incorporated by Reference			Filed or Furnished Herewith
Exhibit Number	**Description**	**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	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

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.

Finance of America Companies Inc.

Date: November 6, 2026

By: /s/ Matthew A. Engel

Matthew A. Engel
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 31.1

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 September 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: November 6, 2026

/s/ Graham A. Fleming

Graham A. Fleming
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

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 September 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: November 6, 2026

/s/ Matthew A. Engel

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

Exhibit 32.1

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 September 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: November 6, 2026

/s/ Graham A. Fleming
Graham A. Fleming
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

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 September 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: November 6, 2026

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