



FINANCE *of* AMERICA™

2024

# Investor Presentation

LAST UPDATED 03.06.2024

## Forward-Looking Statements

This presentation includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the 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 management’s beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside of the Company’s control. It is possible that our actual results, financial condition and liquidity may differ, possibly materially, from the anticipated results, financial condition and liquidity in these forward-looking statements. The Company’s actual results may differ from its expectations, estimates, and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as “expect,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “intend,” “plan,” “may,” “will,” “could,” “should,” “believes,” “predicts,” “potential,” “continue,” and similar expressions (or the negative versions of such words or expressions) are intended to identify such forward-looking statements. The Company cautions readers not to place undue reliance upon any forward-looking statements, which are current only as of the date of this release. 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. Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. A number of important factors exist that could cause future results to differ materially from historical performance and these forward-looking statements. Factors that might cause such a difference include, but are not limited to: the transformation of our business from a vertically-integrated, diversified lending platform to a modern retirement solutions platform, with access to an innovative range of retirement offerings centered on the home; 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 and pay down our substantial debt; our recently closed asset acquisition from American Advisors Group and sale of our Commercial Originations and Lender Services businesses, and their respective expected benefits and increased liquidity, anticipated cost savings and financial and accounting impact; our ability to successfully and timely integrate the business of American Advisors Group into the legacy business of the Company; the possibility that the Company may be adversely affected by other economic, business and/or competitive factors in our business markets and worldwide financial markets, including a sustained period of higher interest rates and increased instability in the banking sector as a result of several recent bank failures; our ability to respond to significant changes in prevailing interest rates and to resume profitable business operations; 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 servicing operations; our ability to manage changes in our licensing status, business relationships, or servicing guidelines with Ginnie Mae, HUD or other governmental entities; our geographic market concentration if the economic conditions in our current markets should decline or as a result of natural disasters; our use of estimates in measuring or determining the fair value of the majority of our financial assets and liabilities, which may require us to write down the value of these assets or write up the value of these liabilities if they prove to be incorrect; our ability to manage various legal proceedings and compliance matters, federal or state governmental examinations and enforcement investigations we are subject to from time to time, including consumer protection laws applicable to reverse mortgage lenders, which may be highly complex and slow to develop, and results are difficult to predict or estimate; our ability to prevent cyber intrusions and mitigate cyber risks; our ability to compete with national banks, which are not subject to state licensing and operational requirements; our holding company status and dependency on distributions from Finance of America Equity Capital LLC; our “controlled company” status under New York Stock Exchange rules, which exempts us from certain corporate governance requirements and affords stockholders fewer protections; and our 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.

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. 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. Please refer to “Risk Factors” included in our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the Securities and Exchange Commission (the “SEC”) on March 16, 2023, 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 accessible on the SEC’s website at [www.sec.gov](http://www.sec.gov).

## SECTION 1

# The Finance of America Investment Thesis

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Our Great Ambition [page 4](#)

Investment Thesis [page 5](#)

Opportunity Details [page 6-7](#)

A Path Forward [page 8-9](#)



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Melanie from  
Lafayette, CO  
*A Finance of  
America Customer*

## OUR GREAT AMBITION

# Unlocking America's Greatest Retirement Asset

# \$13 Trillion

## SENIOR HELD HOME EQUITY<sup>1</sup>

- ✓ Finance of America is **making home equity part of a mainstream, modern retirement** so that more Americans can benefit from their untapped wealth later in life.
- ✓ The current approach to paying for retirement unfortunately ends in **\$4T of financial shortfalls nationally** and impacts millions of seniors. <sup>2</sup>
- ✓ The solution lies in **unlocking home equity as a retirement funding source** with financing purpose-built for the 55+ homeowner.

Source 1) <https://www.nrmlaonline.org/about/press-releases/senior-home-equity-levels-reach-13-08t-in-q3> ; Source 2) [deloitte.com/us/en/insights/industry/financial-services/closing-retirement-savings-gap.html](https://deloitte.com/us/en/insights/industry/financial-services/closing-retirement-savings-gap.html)



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# Home Equity for Retirement is Ripe for Disruption

The category only sees a fraction of the \$13T total home equity seniors hold.

**Finance of America is ideally situated to catalyze category growth and capture first-mover advantage.**

## Our Distinctive Advantages:

- 01 Clear Market Leadership
- 02 Dominant Distribution Footprint
- 03 Innovation Engine
- 04 Capital Markets Strength
- 05 Digital Capabilities
- 06 Lifelong Commitment to Borrower
- 07 Deep Industry Experience



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## OPPORTUNITY DETAILS

# Home Equity is the Answer to a Secure Future for Seniors

**\$13.08 TRILLION** RECORD AMOUNT OF SENIOR HOUSING WEALTH<sup>1</sup>

**79%** OF AMERICANS AGES 65 OR OLDER OWN THEIR HOME<sup>2</sup>

**40%** OF TOTAL HOME EQUITY IN THE U.S. HELD BY SENIORS IN 2023.<sup>3</sup>

**54%** OF U.S. SENIORS' NET WORTH IS COMPRISED OF HOME EQUITY<sup>4</sup>

Sources: 1) <https://www.nrmlaonline.org/about/press-releases/senior-home-equity-levels-reach-13-08t-in-q3> ; 2) <https://www.census.gov/housing/hvs/files/currenthvspress.pdf>; 3) <https://www.nrmlaonline.org/about/press-releases/senior-home-equity-levels-reach-13-08t-in-q3> ; 4) <https://fred.stlouisfed.org/series/OEHRENWBSHNO> ; 4) <https://www.federalreserve.gov/publications/october-2023-changes-in-us-family-finances-from-2019-to-2022.htm> ; <https://www.urban.org/urban-wire/expanding-access-home-equity-could-improve-financial-security-older-homeowners>

# Seniors *Will* Need Access to Their Housing Wealth

10,000

PEOPLE PER DAY WHO REACH RETIREMENT AGE IN U.S.<sup>1</sup>

(\$3.68T)

ESTIMATED RETIREMENT SAVINGS SHORTFALL FOR SENIORS IN U.S.<sup>2</sup>

1 in 3

WORRY THAT THEY WILL NOT HAVE ENOUGH MONEY TO LIVE COMFORTABLY IN RETIREMENT<sup>3</sup>

- ✓ Advances in healthcare have led to longer lifespans. **Life expectancy has more than doubled since the early 1900s.**<sup>4</sup>
- ✓ Nearly a third of this cohort spends as much as **30% of their income on housing costs.**<sup>5</sup>
- ✓ Healthcare cost inflation is expected to remain high at 7% throughout 2024, outpacing the expected overall inflation rate.<sup>6</sup>



Dave from Montecito, CA  
*A Finance of America Customer*

HOME EQUITY IS A TOOL THAT ADDRESSES MORE THAN MERE SURVIVAL. IT CAN ALSO BE LEVERAGED TO HELP RETIREES  
**MAKE A GOOD RETIREMENT GREAT.**



“

As the world has changed, many maturing adults have been given the gift of an extra 20-30 years compared to previous generations. But this gift isn't free. Hard work is needed to increase the odds of not only living longer, but also living well. Nobody said it will be easy, but putting a plan in place will help people arrive at old age physically fit, socially engaged, and financially secure.”

- LIFE PLANNING IN THE AGE OF LONGEVITY: INSIGHTS FOR BOOMERS,  
2017, STANFORD CENTER ON LONGEVITY



Ann from Glendale, CA  
*A Finance of America Customer*



# New Thinking *Will* Connect Consumer Needs & Solutions

## MAKE HOME EQUITY FOR RETIREMENT MAINSTREAM

Elevate our brand and financial product offerings to break the adoption barrier and offer a customer-centric experience that builds confidence and exceeds expectations. We believe these efforts can dramatically increase the number of customers we serve and enable them to thrive in retirement.



Modernized  
Messaging



Progressive Digital  
Experiences



Unparalleled  
Customer Care



Attract A New Kind  
of Borrower

## SECTION 2

# The Finance of America Distinctive Advantages

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Clear Market Leadership [page 11](#)

Lifelong Commitment to Borrower [page 19](#)

Dominant Distribution Footprint [page 12](#)

Deep Industry Experience [page 20](#)

Innovation Engine [page 13-14](#)

Capital Markets Strength [page 15](#)

Digital Capabilities [page 16-18](#)



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01 Clear Market Leadership

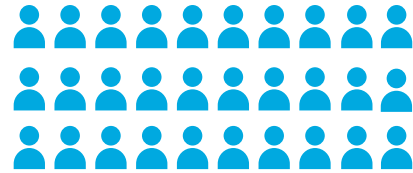
# The largest and longest operating reverse mortgage provider in the industry.<sup>1</sup>

 **#1** REVERSE MORTGAGE LENDER & SERVICER<sup>1</sup>  
LEADER IN REVERSE MORTGAGE INDUSTRY

 **\$17.8bn** REVERSE MORTGAGE FUNDED VOLUME FROM 2018 - 2023

**36.9%**  
HECM MARKET SHARE IN 2023<sup>2</sup>

**950 EMPLOYEES**



**20 YEARS**  
IN BUSINESS

**\$10.2bn** PROPRIETARY LOAN ASSETS SECURITIZED FROM 2018 - 2023

**\$0** LOSSES ON SECURITIZED BONDS\*

**26** SECURITIZATIONS COMPLETED BETWEEN 2018 AND 2023

\*Our historical performance is not indicative of future performance. Our history of no bond losses is related to our proprietary reverse loan securitization program where we have a history of exercising our optional call right which results in a full redemption of the related securitized bonds. No assurance can be given as to whether or not we will continue to optionally call our transactions in the future. As of the date of this presentation, there has been no principal loss in respect of such bonds.



# A strong foundation for broad reach, distribution & influence.

## Retail Platform

- Broad Marketing Reach with Advertising Reaching 20 million Consumers Annually
- Over \$1bn Advertising Investment Since Inception of the AAG Brand
- State-of-the-art Call Center
- Industry-leading Sales and Conversion Process
- Multi-point Customer Journey

## Wholesale Platform

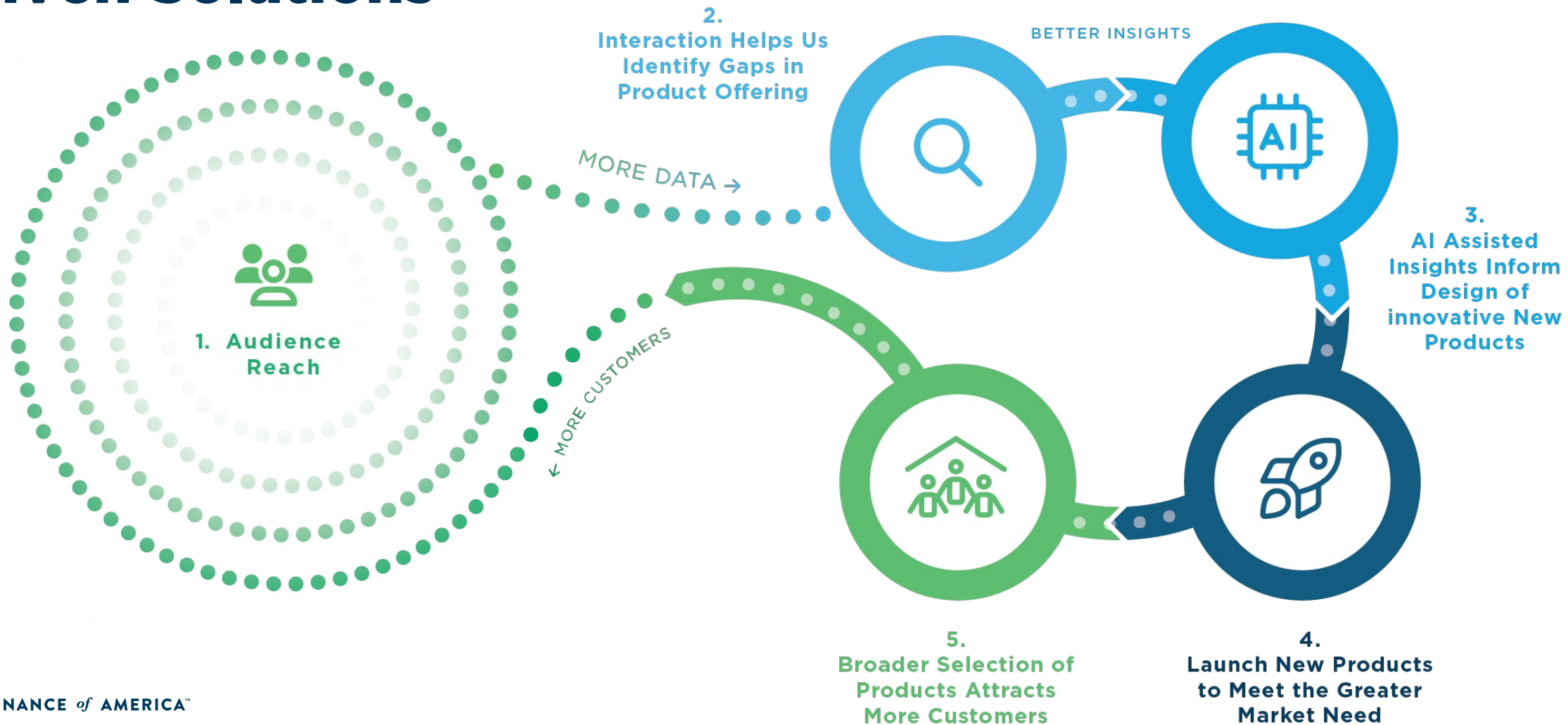
- Leadership Position
- Immense Scale
- Growing Broker Originator Market
- Activating and empowering brokers across the U.S.
- Industry-leading Marketing Resources Platform
- Thought Leadership and Education

## Strategic Partnerships



# Developing Demand Driven Solutions

## Finance of America's Innovative Home Equity Product Strategy Solves for Customer Need Gap





# Leading Product Franchise

Finance of America is the **industry leader in product innovation**. We are the first in developing cutting-edge solutions to fill market gaps.

ALL PRODUCTS DELIVER CASH FLOW BENEFITS,  
DESIGNED FOR LIFE AFTER 55\*



**Agency Product,**  
FHA Insured Loans  
(Must be age 62+)



Flagship **Proprietary Jumbo Reverse Mortgage**, Offers Loans up to \$4m



Nation's Only **Second Lien Reverse Mortgage** that Allows Borrowers to Keep a Low-rate Forward 1st Mortgage

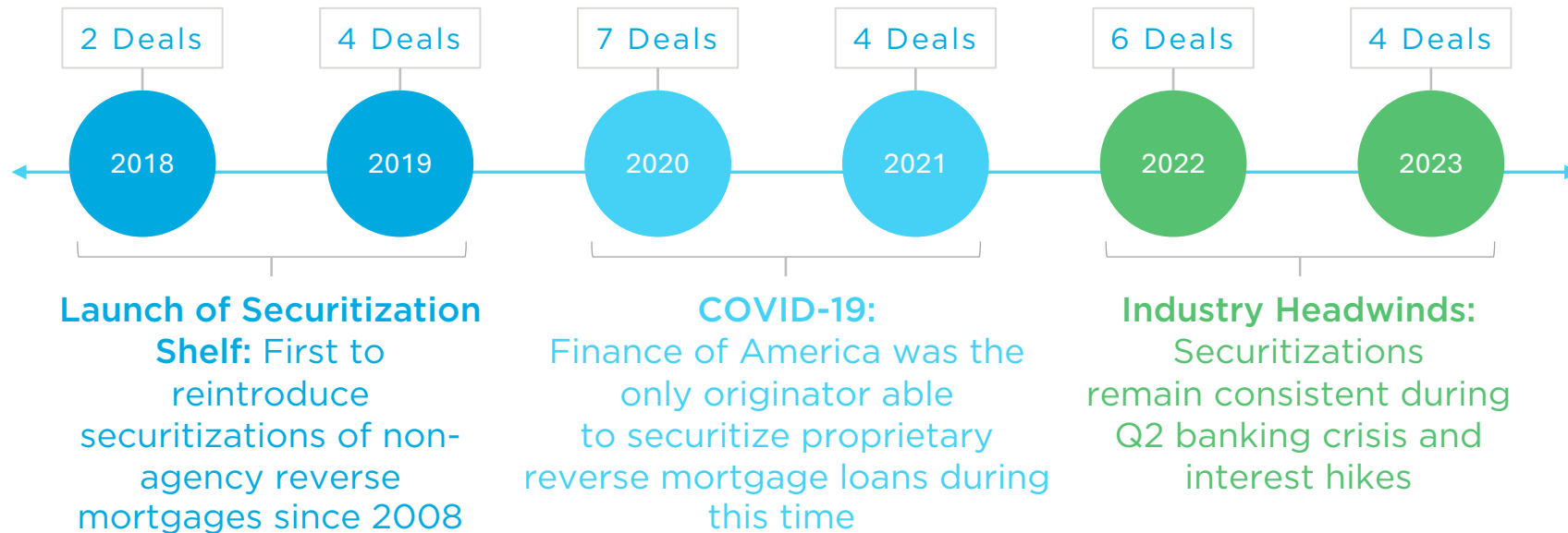


Ground-Breaking **Retirement Mortgage** Combining Elements of a Forward and Reverse Mortgage

# The Longest Running Active Securitization Shelf

OVER **\$10.2 BILLION** NOTIONAL ISSUED

Over the last 6 years, macro-economic events created challenges for the reverse mortgage industry, yet Finance of America maintained consistent secondary market performance in volatile conditions



- Longest running active securitization shelf for proprietary reverse mortgages
- First HECM Buyout shelf to use a reinvestment feature to better manage the active HECM Buyout pipeline
- No Losses on Securitized Bonds\*

\*Our historical performance is not indicative of future performance. Our history of no bond losses is related to our proprietary reverse loan securitization program where we have a history of exercising our optional call right which results in a full redemption of the related securitized bonds. No assurance can be given as to whether or not we will continue to optionally call our transactions in the future. As of the date of this presentation, there has been no principal loss in respect of such bonds.

The Company information presented in this slide is as of 12/31/23



## Redefining the Digital Experience

Our commitment to innovation is not just about staying ahead of the curve—it's about redefining it. **We are investing in our digital core** to turn the complexity of navigating reverse solutions into simple and accessible customer experiences that drive growth. Proprietary research, dedicated experience teams, and AI tools have the potential to fuel a reverse mortgage revolution.



FINANCE OF AMERICA IS DEVELOPING MODERN TOOLS ACROSS THE CUSTOMER JOURNEY.

# 62%

OF THOSE 50+ USED ONLINE FINANCE AND BANKING APPS IN THE LAST 3 MONTHS

- AARP 2023 STUDY<sup>1</sup>

# 72%

OF ADULTS AGES 50-59 SAY THEY HAVE THE DIGITAL SKILLS NECESSARY TO FULLY TAKE ADVANTAGE OF BEING ONLINE

- AARP 2023 STUDY<sup>2</sup>

“Because of this higher level of digital literacy today’s seniors exhibit very different patterns of behavior.” - NIELSON NORMAN GROUP STUDY<sup>3</sup>

Sources 1) [aarp.org/content/dam/aarp/research/surveys\\_statistics/technology/2023/fintech-adoption-attitudes.doi.10.26419-2Fres.00608.001.pdf](https://aarp.org/content/dam/aarp/research/surveys_statistics/technology/2023/fintech-adoption-attitudes.doi.10.26419-2Fres.00608.001.pdf) ;

2) [aarp.org/pri/topics/technology/internet-media-devices/2024-technology-trends-older-adults.html#:~:text=While%2072%25%20of%20adults%20ages,slightly%20in%20the%20past%20year](https://aarp.org/pri/topics/technology/internet-media-devices/2024-technology-trends-older-adults.html#:~:text=While%2072%25%20of%20adults%20ages,slightly%20in%20the%20past%20year)

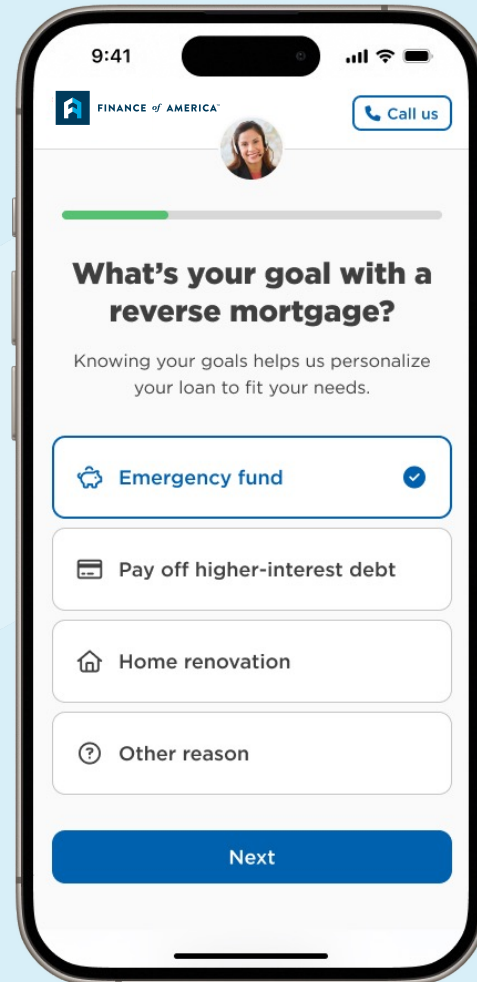
3) [nngroup.com/articles/usability-for-senior-citizens/](https://nngroup.com/articles/usability-for-senior-citizens/)



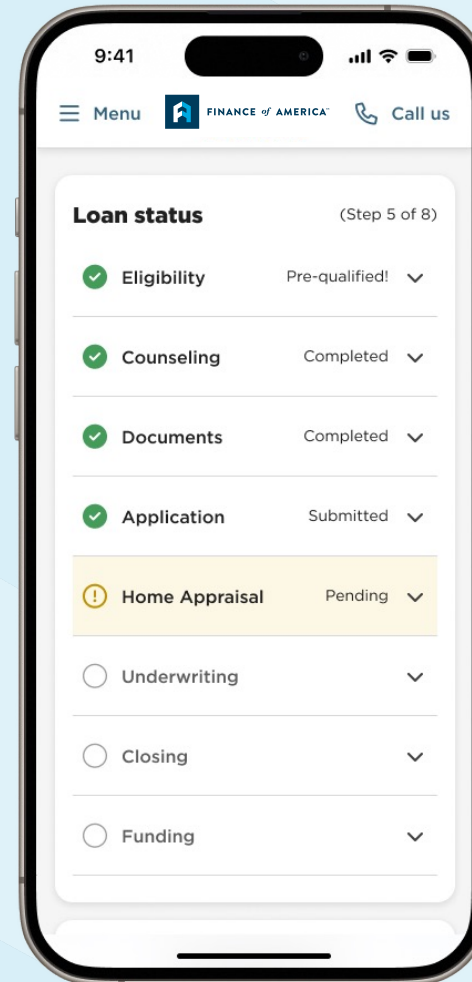


# Prioritizing Best-in-Class Digital and Loan Origination Tools

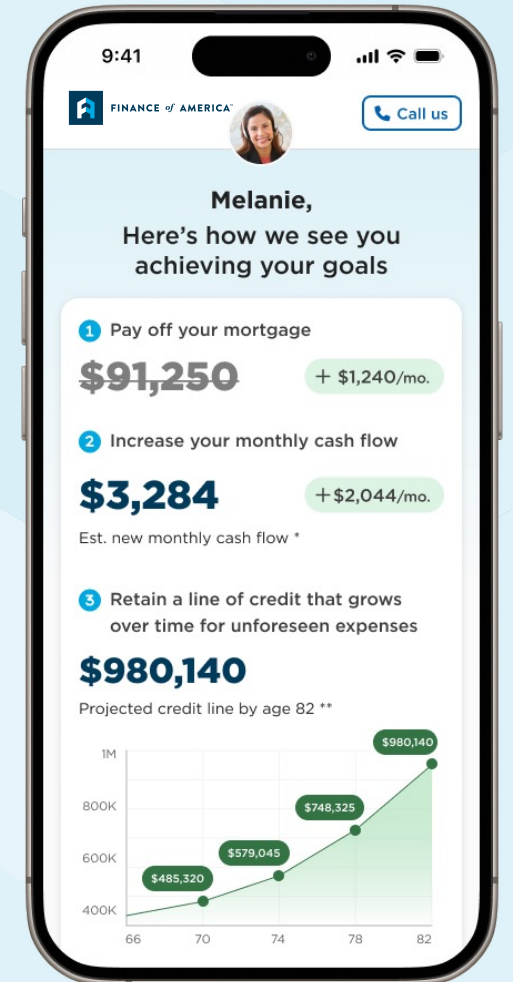
A NEW DIGITALLY ENABLED JOURNEY



SIMPLIFIED AND DEEPLY INTEGRATED



TO EXPLORE HOME EQUITY IN RETIREMENT





# AI Powered Lending

At Finance of America, we're actively integrating cutting-edge AI technologies across our operations for efficiency, accuracy, and speed, enabling us to focus on what truly matters: helping our customers thrive in retirement



Mark from West Hills, CA  
A Finance of America Customer

## AI Leadership Is Built On Data

As America's largest reverse mortgage lender, we believe our dataset is unparalleled in the industry, positioning Finance of America to uniquely harness AI's transformative power. This vast data reservoir will enable us to build custom AI tools with precision and at scale.

## AI-Driven Marketing

We're revolutionizing engagement with our customers by leveraging AI in our marketing platforms for swift content creation and will soon add real-time media and other touchpoint optimization along with personalized messaging to enhance funnel conversion.

## AI Empowerment

By blending AI-enhanced staff with innovative processes, we are redefining excellence in the reverse mortgage sector. Employees already leverage AI for routine tasks and will use it to streamline core business processes, resulting in shorter turn times and higher pull-through rates, all to provide an unmatched customer experience that goes beyond the expected.



# Excellence Extends Beyond the Transaction into Post-funding Relationship

CONTINUOUS CONTACT, EDUCATION AND RESOURCES  
REINFORCE POSITIVE OUTCOMES.

## Borrower Engagement Team

maintains contact for life of loan  
providing education and resources

## Personal contact with borrower and family members

to ensure a graceful exit  
at maturity event

## Finance of America Social Bond Securitizations<sup>1</sup>

Aligned with ICMA's Social Bond Principles, we are dedicated to providing credit access to the elderly. This provides social benefit by:

- Allowing borrowers to stay in their homes longer
- Aiding elderly borrowers in accessing basic services
- Providing access to their home equity while eliminating monthly mortgage payments
- Providing access to money that helps them remain in their communities instead of being forced into assisted living facilities.



The  
Social Bond  
Principles

Finance of America is the only U.S. reverse issuer to have received SPO for social bond designation according to publicly available information.

1) \*Finance of America Social Bond SPOs are available [here](#).



Dennis and Evelyn  
from Aurora, CO  
*Finance of  
America Customers*



## Finance of America Companies is led by a close-knit group of long-time colleagues with deep industry expertise.



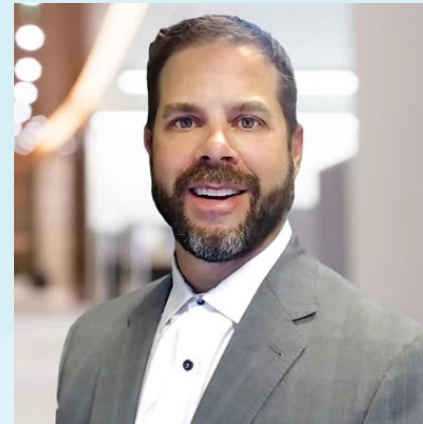
**Graham Fleming**  
CEO  
25 years in mortgage



**Kristen Sieffert**  
President  
20 years in mortgage



**Matt Engel**  
Chief Financial Officer  
30 years in mortgage



**Jeremy Prahm**  
Chief Investment Officer  
20 years in mortgage



**Lauren Richmond**  
Chief Legal Officer  
and General Counsel;  
Secretary  
8 years in mortgage





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# Let's Unlock America's Greatest Retirement Asset



For more information visit us online:

[IR.FinanceOfAmerica.com](https://IR.FinanceOfAmerica.com)



Or email us at:

[IR@FinanceOfAmerica.com](mailto:IR@FinanceOfAmerica.com)

## Select Reverse Mortgage Research



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

October 23, 2023

Finance of America expanded launch of its HomeSafe Second loan so that more homeowners 55 and older have a tool to access their home equity without adding new monthly payments or changing the existing rate on their first mortgage.

- The only second-lien reverse mortgage of its kind, HomeSafe Second allows eligible homeowners 55 and older to tap their home equity via a second mortgage without adding a new monthly mortgage payment. This fixed-rate, proprietary reverse loan does not impact the first lien mortgage, neither its balance nor its rate, and no monthly payments are required on this second lien.
- "If you're 55 or older and considering a home equity loan or home equity line of credit, I absolutely recommend you work with a trusted advisor to do the math and consider HomeSafe Second instead," said Paul Fiore, Chief Retail Sales Officer at FAR. "As high interest rates continue to make refinancing and other second-lien options unattractive for would-be borrowers, HomeSafe Second fills the gap by providing access to their housing wealth without affecting the favorable rates they may have on a primary mortgage. While similar to a home equity loan or home equity line of credit, HomeSafe Second brings the added benefit of stable financing with no extra monthly mortgage payments required."

Source: <https://ir.financeofamerica.com/news-events/press-releases/detail/117/finance-of-america-expands-reach-of-second-lien-reverse>



### Nearly 80% of American Homeowners are Anxious About the State of the U.S. Economy

October 18, 2023

Despite the fact that 86% of U.S. homeowners say their home value increased from 2022 to 2023, 79% are still as anxious now about the state of the economy as they were last year.

Key findings include:

- 61% of homeowners worry about unexpected healthcare costs in retirement, up from 48% in 2022.
- 41% of homeowners feel anxious about their discretionary spending, such as purchasing a new car or taking a trip, up from 32% in 2022.
- 40% of homeowners feel anxious about their ability to pay off debt, up from 36% in 2022.
- 32% of homeowners said they were likely to use a home equity loan, a slight increase from 28% in 2022.
- Only 42% of women know that home equity can help supplement income in retirement, compared to 65% of men.
- 38% of women and 38% of Boomers know that a reverse mortgage can be used to pay off a mortgage, compared to 46% of men and 49% of Gen Z/Millennials.

Source: [https://explorehomeequity.far.com/hubfs/FAR-Branded%20Report%20%5BHarris%20Poll%202023%5D\\_V04.pdf](https://explorehomeequity.far.com/hubfs/FAR-Branded%20Report%20%5BHarris%20Poll%202023%5D_V04.pdf)



## Select Reverse Mortgage Research



**Every day in the U.S., 10,000 people turn 65**

December 2021

**Every day in the U.S., 10,000 people turn 65, and the number of older adults will more than double over the next several decades to top 88 million people and represent over 20 percent of the population by 2050.**

- The rapid pace of change creates an opportunity and an imperative for both the public and private sector to harness the potential of the growing segment of society and to ensure the welfare of older Americans.
- Americans' increased longevity, coupled with the need to finance a growing share of their own care, are major factors driving older adults to delay retirement and remain in the labor force.
- While the U.S. labor force is expected to grow at just 0.5 percent over the next decade, adults over age 65 represent the fastest-growing segment.
- Given the cost of facilities and the loss of independence, among other factors, older Americans tend to prefer to age in place.

Source: <https://www.aarpinternational.org/initiatives/aging-readiness-competitiveness-arc/united-states#:~:text=Every%20day%20in%20the%20United,of%20the%20population%20by%202050.>



**U.S. Households Are Aging**

2023

**Of those who lived in their own homes, 80 percent lived alone or with a spouse only. However, the share of older adults living alone increased with age, rising from 25 percent among those aged 65-79 to 41 percent among those age 80 and over.**

- In 2021, most older adults—97.5 percent—lived either in their own home (88.2 percent) or that of someone else (9.3 percent), most frequently an adult child. The remaining 2.5 percent resided in group quarters like nursing homes
- In 2021, 63 percent of single-person households aged 65-79 and 73 percent of those age 80 and over were women, consistent with data showing that life expectancy is longer for women.
- In addition to refinancing, older adults may be able to access their equity through reverse mortgages, including the government-insured home equity conversion mortgage (HECM), which is the most commonly used such product.

Source: [https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard\\_JCHS\\_Housing\\_Americas\\_Older\\_Adults\\_2023.pdf](https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_Housing_Americas_Older_Adults_2023.pdf)





## Select Reverse Mortgage Research

**M** UNIVERSITY OF MICHIGAN

**88% feel its important to remain in homes for as long as possible**

April 2022



Over January and February 2022, the University of Michigan National Poll on Healthy Aging asked a national sample of adults age 50–80 about their perspectives on aging in place, their homes, and available social supports.

- The majority of adults age 50–80 (88%) felt it is important to remain in their homes for as long as possible (62% very important, 26% somewhat important), and 12% rated it not important.
- The findings from this poll suggest that while most older adults feel it is very important for them to stay in their home as long as possible, many are not prepared to age in place. While about four in five older adults think their homes either definitely or probably have the features for them to be able to age in place, many reported their homes did not have common accessibility features, and nearly half reported they had given very little, if any, consideration to what home modifications would be needed.

Source: <https://www.healthyingpoll.org/reports-more/report/older-adults-preparedness-age-place>

McKinsey&Company

**Overall trends are favorable for the reverse mortgage market.**

August 2020

**The Reverse Mortgage industry is well supported by macro-economic trends**

- ~ 40% of adults say they are “not too” or “not at all” confident that they will have enough income and assets for their retirement, up from 25% in early 2009.
- Median equity in home over total net worth ratio is 72% for 65 years and older vs. 40% for under 35 years old.
- Wealth concentration by 65+ year olds increased from 12% in 2020 to 16% in 2020

Source: McKinsey & Company Proprietary Study