

Risk Factors Comparison 2025-03-14 to 2024-03-15 Form: 10-K

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You should carefully consider the following risk factors together with all of the other information included in this report, including the financial statements and related notes, when deciding to invest in us. The risks and uncertainties described below could materially adversely affect our business, financial condition, and results of operations in future periods and are not the only risks facing the Company. Additional risks not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, and results of operations in future periods. Risks Related to the Business of the Company **The** ~~We have transformed our business from a vertically integrated, diversified lending and complementary services platform to a modern retirement solutions platform. Operating as a modern retirement solutions platform presents unique challenges to the Company and the Company's success will depend upon its ability to~~ **(1) expand its customer base and acquire and originate reverse mortgage loans efficiently while maintaining loan origination quality, (2) finance its reverse mortgage portfolio, and (3) profitably securitize or otherwise monetize its reverse mortgage portfolio, all of which will in turn depend upon its ability to** ~~manage such the unique challenges presented by operating as a unified modern retirement solutions platform. The~~ **Historically, the Company is** ~~has operated as a vertically integrated, diversified lending and complementary services platform, principally focused on offering~~ **acquiring, originating, and servicing two types of reverse mortgage loans: FHA- insured HECM and non- agency reverse mortgage loans. Generally, the Company securitizes HECM into HMBS guaranteed by Ginnie Mae and sells the HMBS in the secondary market while retaining the rights to service the HECM. When HECM are not eligible for securitization into HMBS or are required to be bought out of a pool of HECM previously securitized into an HMBS, the Company securitizes them into privately placed mortgage- backed securities or holds them for investment. The Company both securitizes non- agency reverse mortgage loans into mortgage- backed securities sold to investors and sells them as whole loans to investors. The Company may also decide to strategically hold certain non- agency reverse mortgage loans for investment. It follows that the Company's success is driven by the Company's ability to **(1) expand its customer base and acquire and originate a wide array of loan products throughout the U. S., including reverse mortgage loans , traditional mortgage efficiently while maintaining loans- loan origination quality , business purpose loans to residential real estate investors and home improvement loans, and (2) complementary lender services such as title insurance- - finance and settlement services to mortgage businesses. During the fourth quarter of 2022 and calendar year 2023, the Company exited multiple business lines, including its traditional mortgage lending segment, its commercial lending segment, its home improvement lending business and its lender services businesses, and shifted its focus to developing a streamlined retirement solutions business. We pivoted our business strategy to focus on retirement solutions in response to challenging market conditions represented by high interest rate and high inflation environments that emerged in 2022 and continued in 2023, which resulted in lower origination volumes and widening secondary market credit spreads. Against this economic backdrop, we believe the U. S. reverse mortgage portfolio, market opportunity remains strong and is a key component of an- and (3) profitably securitize or otherwise monetize its existing underserved market of seniors in the U. S. As a result of this transformation, today we are principally focused on offering reverse mortgage portfolio loan products throughout the U. In order** ~~S. While reverse mortgage loan products were among the types of products the Company historically offered, the Company does not have a substantial history operating as a Company with this more streamlined focus on the reverse mortgage business. Operating a business with this more streamlined focus presents unique challenges to do so the Company not presented under the Company's prior model. For example, the Company will need to be able to manage conditions or events that arise adversely impacting the reverse mortgage market challenges presented by operating as a unified modern retirement solutions platform without relying on other business lines to for support its financial condition. Historically, under the Company's more diversified business model, the Company may have been able to rely upon such other business lines to mitigate challenges unique to its reverse mortgage business and to help support the Company's financial condition while- if the reverse mortgage market experienced recovered from adverse circumstances . Further, it may be more difficult to forecast the Company's financial performance, as its historical performance under the prior model may not be indicative of how the Company will perform under similar conditions under the streamlined model. This may make it more difficult for the Company to determine how to best allocate resources to address needs and maximize market opportunities. The Company's success as a modern retirement solutions platform also ability to expand its customer base and acquire and originate reverse mortgage loans efficiently depends on- in part upon its ability to develop and obtain regulatory approval to offer innovative proprietary non- agency products to satisfy the needs of the vast and largely underserved U. S. senior population. This will depend upon the Company's ability to successfully identify the needs of the U. S. senior population and develop attractive products that successfully address those needs. Further, before offering a new proprietary non- agency product in a state, the Company is required to obtain regulatory approvals required in such state. Currently certain of the Company's proprietary non- agency products are only available in a limited number of states due to the time necessary to obtain regulatory approvals. In certain states, there may be statutory impediments to being able to offer certain products. If the Company experiences delays in obtaining regulatory approvals for proprietary non- agency products or is not able to obtain regulatory approvals in certain states, particularly larger states or states with a larger proportional share of seniors, then the Company's origination volumes for proprietary non- agency products, and ultimately its profitability, may be adversely impacted. The Company's ability to expand its customer base and to acquire and originate reverse mortgage loans efficiently also depends in part upon its ability to communicate its product offerings to the U. S. senior population~~**

and mortgage broker partners and its ability to engage and transact with interested customers and mortgage broker partners. This will in turn depend upon the Company's ability to successfully develop and implement sales and marketing strategies to communicate the "Finance of America" brand and available offerings. This will also depend upon the Company's ability to develop and leverage digital tools to engage with customers and mortgage broker partners in a modern and user friendly way that improves efficiency and the overall ease of transacting. See "— We may fail to realize the anticipated benefits of the efforts we have undertaken to transition to a unified lending platform and to streamline and enhance our marketing and originations operations and digital capabilities." As a business principally focused on the reverse mortgage loan market, the Company will in particular need to be able to successfully manage its liquidity and securitize or otherwise monetize its originated loans profitably. Reverse mortgage origination is a "cash-light" business because reverse mortgage borrowers are generally not required to make principal and interest payments until loan maturity. Therefore, there are limited interim cash flows paid to the originator prior to the loans being monetized via a securitization or whole-loan sale or a securitization. In order to maintain sufficient liquidity to continue to originate new loans and operate our business, the Company relies on the availability of warehouse financings as well as an active secondary market for its loans. Should the Company not be able to maintain sufficient access to warehouse financings or not be able to sell its reverse mortgage loans, or mortgage-backed securities backed by its reverse mortgage loans, into the secondary market, it could have a material adverse effect on our liquidity, financial condition, performance, and business. See "— Risks Related to Our Lending Business — If we are unable to obtain sufficient capital to meet the financing requirements of our business, or if we fail to comply with our debt agreements, our business, financing activities, financial condition, and results of operations will be adversely affected." Additionally, in circumstances where the unpaid principal balance ("UPB") of a HECM securitized into an HMBS issued pursuant to Ginnie Mae's existing HMBS program reaches 98% of the maximum claim amount (which is the maximum FHA insurance amount available for a HECM), the Company is required under Ginnie Mae guidelines to repurchase such HECM from the securitization, which requires the Company to maintain additional liquidity or access to capital (in the form of financing capacity or otherwise). The Company may also be required to satisfy repurchase demands pursuant to its proprietary non-agency loan securitizations and purchase and sale agreements with investors from time to time. If the Company is required to satisfy significant repurchase requirements simultaneously, the Company may not have sufficient liquidity or access to capital available to satisfy such demands, which would have a material adverse effect on our business, financial condition, and results of operations. The Company will also need to manage its liquidity and maintain sufficient access to capital to enable the Company to service its existing indebtedness, including to pay amounts due in 2025 with respect to certain debt facilities. See "— Risks Related to Our Indebtedness — Our substantial leverage could adversely affect our financial condition, our ability to raise additional capital to fund our operations, our ability to operate our business, our ability to react to changes in the economy or our industry, or our ability to pay our debts, and could divert our cash flow from operations to debt payments" and "— Risks Related to Our Indebtedness — We are required to repay certain debt facilities in whole or in part in 2025 and such payments will require access to capital, which may not be available from cash flows resulting from our subsidiaries' success will depend upon operations or from third-party sources on favorable terms, or at all, at the time of repayment, especially in light of current market conditions, which could adversely affect our financial position." In 2024, the Company transitioned its sales team onto ability to manage these challenges in order to capitalize on one loan origination system, completing the last step in reverse mortgage market opportunity. The failure to successfully operate the recently process of integrated integrating the operational assets lending platform that we acquired from AAG / Bloom may adversely affect, and unified its Finance of America Reverse LLC (FAR) and American Advisors Group (AAG) brands under the single brand name "Finance of America." This brand unification included the launching of new brand assets across the Company's platforms future results, financial condition consisting of television advertisements, a streamlined corporate website, and an liquidity-enhanced social media presence, new multi-media advertising materials, and updated marketing collateral. In connection with the brand unification, the Company also aligned under a shared set of core values in furtherance of the Company's mission to help people live retirement to the fullest. Further, in the second quarter of 2024, the Company modified its go-to-market strategy within its retail channel to focus on its most efficient business lines and stepped away from business lines and campaigns that had been less effective. Additionally, the Company is working to build a digital channel that will leverage automated digital tools and supplement the Company's existing lines of business and is engaging in efforts to refine the systems used by its mortgage broker partners. The Company believes anticipates that the these acquisition of the efforts to transition to a unified lending platform and to streamline and enhance its marketing and originations operational operations and digital capabilities assets of AAG / Bloom will result in certain benefits, including optimizing operational efficiency expanding our customer base, achieving cost synergies, enhancing creating a unified corporate culture, fostering product innovations innovation, increasing and brand optimizing operational efficiency and product recognition and awareness within the addressable market of U. S. seniors and among mortgage brokers, improving the originations experience for borrowers and mortgage broker partners, expanding the number and depth of the Company's relationships with borrowers and mortgage broker partners, and ultimately raising the Company's origination volumes. However, to fully realize these the anticipated benefits, we must be able to scale and grow the platform efficiently. The Company may fail to realize the anticipated benefits of the these acquisition efforts for a variety of reasons, including the following: • failure to efficiently utilize integrated resources; • failure to instill the Company's core values across the entirety of the organization; • failure to leverage enhanced organizational capabilities to innovate and capitalize on market opportunities; • failure to successfully manage relationships with existing customers, loan investors, and lenders mortgage brokers who previously had relationships specifically with Finance of America Reverse LLC or American Advisors Group; • failure to maintain AAG / Bloom's existing effectively coordinate sales and marketing efforts to

communicate the “ Finance of America ” brand and available offerings to potential customers , as well as and the market generally; • failure to develop and expand reverse mortgage customers; • failure the ability to identify opportunities generate new revenues or for technology and system improvements maintain existing revenue levels, while simultaneously reducing operating expenses; • failure to consolidate successfully develop and optimize / or implement innovative technologies and technological and systems— system improvements in a cost- efficient and time- efficient manner ; • failure to leverage the increased scale of the combined company quickly and effectively utilize enhanced technological and system capabilities ; • potential difficulties integrating and harmonizing different corporate cultures; • the loss of key employees; • failure to mitigate expanded risks that may be presented by new technologies effectively coordinate sales and marketing efforts to communicate the enhanced capabilities of the Company; and • failure to combine product offerings and product lines quickly and effectively. See “ — Our capital investments in technology may not achieve anticipated returns ” and “ — We are incorporating artificial intelligence technologies into our processes. These technologies may present business, compliance, and reputational risks. ” While we generated a net profit in 2024, we have a recent history of net losses and we may not achieve or maintain profitability in the future due to the risks and uncertainties associated with operating as a unified modern retirement solutions platform , which may cause us to be dependent on continued extensions of our revolving working capital lines of credit to remain a going concern. We generated a net profit of \$ 35. 7 million for the year ended December 31, 2024. However, we generated net losses of \$ 218. 2 million, \$ 715. 5 million and \$ 1, 176. 7 million for the years ended December 31, 2023, 2022 and 2021, respectively , and a net profit of \$ 497. 9 million for the year ended December 31, 2020. Our accumulated deficit was \$ 698. 9 million, \$ 714. 4 million, \$ 634. 3 million and \$ 443. 6 million as of December 31 , 2024, 2023, 2022 and 2021, respectively. As described under “ Item 1. Business — Organizational Transformation ” in the Form 10-K, to reduce future ongoing losses and increase liquidity, the Company entered into a series of strategic transactions during the fourth quarter of 2022 and calendar year 2023 and undertook additional efforts in 2024 to transform our business from a vertically integrated , diversified lending and complementary services platform to a unified modern retirement solutions platform. Our This resulted in the Company exiting its traditional mortgage lending segment, its commercial lending segment, its home improvement lending business and its lender services businesses. At the same time, the Company further invested in its reverse mortgage lending business, including by acquiring operational assets of AAG / Bloom. The amount of future net losses and our ability to achieve maintain profitability will depend on our future expenses and our ability to generate revenue, which are difficult to predict due to the risks and uncertainties associated with operating as a unified modern retirement solutions platform, as outlined herein. The savings and efficiencies we achieve from the transformation and streamlining of our business model operating as a unified modern retirement solutions platform may be less significant than we expect. Further, completing the integration of the operational assets of AAG / Bloom and operating our transformed business model may be more costly than we anticipate and may not result in the revenue growth that we expect. If we continue to incur losses again in the future, the net losses and negative cash flows incurred to date, together with any such future losses , will have an adverse effect on our stockholders’ equity and liquidity. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods. If we are unable to achieve and sustain profitability, the market price of our Class A Common Stock may significantly decrease and our ability to raise capital, expand our business , or continue our operations may be impaired. Our financial condition, when evaluated at certain points in time during 2023, before consideration of management’s plans, raised questions as to our ability to continue to be a going concern. To address these questions, management took certain actions, including the extension of our revolving working capital lines of credit, which currently have a maturity date of May 25, 2025. If we are not able to achieve or maintain profitability, our financial condition may continue to raise questions as to our ability to continue to be a going concern, and we may continue to rely in significant part on such revolving working capital lines of credit to address such questions. If we are not able to achieve or maintain profitability and are not able to continue to extend such revolving working capital lines of credit, we may not be able to sufficiently address questions as to our ability to continue to be a going concern in the future. As a result, the market price of our Class A Common Stock may significantly decrease and our ability to raise capital, expand our business or continue our operations may be impaired. For a related discussion regarding our senior notes maturing in November 2025, see “ — Risks Related to Our Indebtedness — Our ability to repay or refinance our senior notes, which mature in November 2025, will require access to capital, which may not be available on favorable terms, or at all, at the time of repayment or refinancing, especially in light of current market conditions, which could adversely affect our financial position. ” 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. Our operations, financial performance , and earnings are significantly impacted by prevailing interest rates, which are in turn affected by U. S. monetary policies and macroeconomic conditions such as inflation fluctuations, recessions, consumer confidence , and demand. Inflation rates increased significantly during the course of 2022 and remained relatively high compared to historical averages in 2023 and, to a lesser extent, 2024, though inflation rates decreased in the second half of 2024 relative to those experienced in prior recent periods . In response to these high inflation rates, the Board of Governors of the Federal Reserve System (the “ Federal Reserve ”) increased interest rates eleven times over the course of 2022 and 2023, which negatively impacted the demand for mortgage financing, our loan production volume , and our overall revenues . The Federal Reserve did subsequently decrease interest rates three times during the final four months of 2024, back to December 2022 levels, but indicated that it only projected two interest rate reductions in 2025 . Our revenues related to continuing operations were \$ 53 million in fiscal year 2022 and \$ 234 million in fiscal year 2023 and \$ 338 million in fiscal year 2024 . Our revenues specific to the Retirement Solutions segment were \$ 300 million in fiscal year 2022 and \$ 149 million in fiscal year 2023 and \$ 206 million in fiscal year 2024 . Inflation rates may remain relatively high for an extended period of time, which may in turn result in a sustained period of higher interest rates. In addition, interest rates and the liquidity of the mortgage- backed securities (“ MBS, ” which includes HMBS) market may be impacted by

the Federal Reserve increasing the federal funds rate, tapering MBS purchases, or selling MBS. Our financial performance and profitability is directly affected by changes in prevailing interest rates. An increase in prevailing interest rates could: • adversely affect our loan production volume, as taking out a new loan or refinancing an existing loan would be less attractive and qualifying for a loan may be more difficult; • increase the cost of servicing our outstanding debt, including debt related to servicing assets and financing our loan production, and make it more challenging to refinance existing debt on favorable terms; • make new securitizations or re- securitizations less economically feasible; and • reduce the value of the assets on our balance sheet due to higher costs of financing. A decrease in prevailing interest rates could: • cause an increase in the expected volume of new loans and loan refinancings, which would negatively impact the fair value of our **mortgage servicing rights (“MSR”)** and residual securities; and • reduce our earnings from our custodial deposit accounts. Furthermore, borrowings under our warehouse lines of credit and MSR and servicing advance facilities are at variable rates of interest, which also expose us to interest rate risk. When interest rates increase, our debt service obligations on this variable rate indebtedness increase, even though the amount borrowed remains the same, and our net income and cash flows, including cash available for servicing our indebtedness, correspondingly decreases. Any of the increases or decreases discussed above could have a material adverse effect on our business, financial condition, liquidity, and results of operations. Our geographic concentration could materially and adversely affect us if the economic conditions in our current markets should decline or if our current markets are impacted by natural disasters. As of December 31, ~~2023~~ **2024**, ~~43-44~~ % of our reverse mortgage loans (by unpaid principal balance) were secured by properties in the state of California. As a result of this geographic concentration, the size and quality of our loan portfolio, which impacts our ability to collect origination fees, monetize our originated loans, and collect on the loans we hold, are largely dependent on economic conditions in California. Adverse changes in the California economy may be caused by inflation, recession, unemployment, state or local real estate laws and regulations, or other factors beyond our control. Such adverse changes could disproportionately impact the demand for our products and services as compared to other lenders with more geographically diversified operations, impacting the size of our loan portfolio and, accordingly, negatively affecting the results of our operations. Adverse changes in the California economy could also result in decreases in real estate values in California, adversely impacting the value of the properties used as collateral for loans to our borrowers. If the value of such properties decreased, it may in turn make the related loans less attractive to investors and therefore more difficult to monetize. Due to the non- recourse nature of reverse mortgage loans, we may ultimately incur losses on any such loans that we hold to maturity if the decreased value results in the property being sold for less than the loan balance at maturity, though such risk is mitigated in the case of HECM due to our ability to assign HECM to HUD or collect proceeds from FHA loss claims. Further, such adverse economic changes may adversely impact the ability of our borrowers to make timely tax and insurance payments and otherwise comply with the conditions of their loans, which could result in an increase in defaults and in turn faster maturities and increased risk of losses on such loans. In addition, properties located in California may be more susceptible to certain natural disasters, such as wildfires, earthquakes, and mudslides. **For example, in January 2025 a series of wildfires started in the Los Angeles, California metropolitan area and spread quickly, causing damage to and / or destroying a significant number of properties. As of February 28, 2025, based on information from Los Angeles County made available to us by our Subservicer, 72 of the reverse mortgage loans on our balance sheet with a total unpaid principal balance of \$ 71. 8 million are collateralized by mortgaged properties with respect to which the related residential dwelling suffered damages from such wildfires resulting in a greater than 50 % decrease in the value of the residential dwelling (without taking into account the value of the and-land related to such mortgaged properties). We require borrowers to have standard hazard insurance policies in place that generally cover damages caused by fires in an amount not less than one hundred percent (100 %) of the insurable value of the mortgaged property, but in no event less than the minimum amount necessary to fully compensate for any damage or loss on a replacement cost basis. However, with respect to mortgaged properties in California, if the related insurer determines there is a heightened risk of property damage due to wildfires, such insurer may elect not to renew the related hazard policies or may charge higher premiums. This may result in an increase in lapsed policies or insufficient coverage and an increase in expenses for our Company as servicer, as we generally force- place hazard insurance, with coverage retroactive to the date of last known coverage to avoid a gap in coverage for any time period. We, in conjunction with our Subservicer, actively monitor hazard claims with respect to properties impacted by natural disasters to ensure customer satisfaction and that properties are restored to pre- damage condition, with flexibility to assist with alternative resolution paths. However, no assurance can be given as whether the Company will be successful in its servicing strategy and minimizing losses in respect of loans impacted by natural disasters. Further,** certain natural disasters **are** not covered by standard hazard insurance, such as earthquakes. Even for properties located in an earthquake prone area, we and other lenders in the market area may not require earthquake insurance as a condition of making a loan. ~~Further, with respect to mortgaged properties in California, if the related insurer determines there is a heightened risk of property damage due to wildfires, such insurer may elect not to renew the related hazard policies or may charge higher premiums. This may result in an increase in lapsed policies or insufficient coverage and an increase in expenses for our Company as servicer, if we elect to force- place hazard insurance.~~ If there is a major earthquake, fire, mudslide or other natural disaster, we face the risk that many of our borrowers may experience uninsured property losses and other adverse economic consequences, which could in turn have a material and adverse impact on our business, as further described under “ — Our business is subject to the risks of earthquakes, fires, floods, and other natural catastrophic events, which may increase in frequency or severity as a result of global climate change, and to interruption by man- made issues such as strikes, wars, and civil unrest. ” Our capital investments in technology may not achieve anticipated returns. Our business is becoming increasingly reliant on technology investments and the returns on these investments are not always predictable. We are currently making, and will continue to make, significant technology investments to support our service offerings and to implement improvements to our customer- facing and mortgage broker- facing technology and information

processes in order to more efficiently operate our business, improve the experience of our customers and mortgage broker partners, and ultimately remain competitive and relevant to our customers. **These technology initiatives might not provide the anticipated benefits or may provide them on a delayed schedule or at a higher cost. Selecting the wrong technology, failing to adequately support development and mortgage broker partners implementation or failing to adequately oversee third-party service providers could result in damage to our competitive position and adversely impact our business, financial condition and results of operations.** For example, we are working to build a digital channel that will supplement our existing lines of business and leverage automated digital tools to improve efficiency and the overall ease of transacting. We are similarly engaging in efforts to refine the systems. We use estimates in measuring or determining the fair value of the majority of our assets and liabilities. If our estimates prove to be incorrect, we may be required to write down the value of these assets or write up the value of these liabilities, which could adversely affect our business, financial condition, and results of operations. We use financial models that utilize, wherever possible, market participant data to value certain of our assets and liabilities, including warrants, our mortgage loans held for sale, MSR, derivative assets and liabilities, HMBS related obligations, and nonrecourse debt for purposes of financial reporting. We also use models to estimate the change in value of loans held for investment due to market or model input assumptions as an add back to calculate Adjusted Net Income and Adjusted EBITDA. These models are complex and use asset-specific collateral data and market inputs for interest and discount rates. In addition, the models are complex because of the high number of variables that drive cash flows in each of the respective assets and related liabilities. Our ability to measure and report our financial position and operating results is influenced by the need to estimate the impact or outcome of future events based on information available at the time of our financial statements. Further, some of our loans and financial assets held for investment do not trade in an active market with readily observable prices and therefore, their fair value is determined using valuation models that calculate the present value of estimated net future cash flows using estimates of draws or advances, prepayment speeds, home price appreciation, forward interest rates, loss rates, discount rates, cost to service, interest from collected deposits, contractual servicing fee income, and ancillary income. Fair value determinations require many assumptions and complex analyses, especially to the extent there are not active markets for identical assets. Even if the general accuracy of our valuation models is validated, valuations are highly dependent upon the reasonableness of our assumptions and the predictability of the relationships that drive the results of the models. In particular, models are less dependable when the economic environment is outside of historical experience, as was the case from 2008-2010 and during the COVID-19 pandemic. If the assumptions we use in our models prove to be inaccurate, if market conditions change, or if errors are found in our models or weaknesses in our model governance, we may be required to write down the value of such assets or the value of certain of our assets may decrease, which could adversely affect our business, financial condition, and results of operations. The fair value of the assets and liabilities related to our securitizations rely on forward rates of interest. Further, the durations of assets and liabilities may not match, resulting in sensitivities to specific portions of the forward curve for interest rates. If these assumptions prove to be wrong or the market for interest rates changes, we may be required to write down the net value of our assets related to our securitizations. We continue to monitor the markets and make necessary adjustments to our models and apply appropriate management judgment in the interpretation and adjustment of the results produced by our models. This process takes into account updated information while maintaining controlled processes for model updates, including model development, testing, independent validation, and implementation. As a result of the time and resources, including technical and staffing resources, that are required to perform these processes effectively, it may not be possible to replace existing models quickly enough to ensure that they will always properly account for the impacts of recent information and actions. Our business could suffer if we fail to attract, or retain, highly skilled employees, and changes in our executive management team may be disruptive to our business. Our future success will depend on our ability to identify, hire, develop, motivate, and retain highly qualified and skilled personnel for all areas of our organization. Trained and experienced personnel in the mortgage industry are in high demand and may be in short supply, particularly those with training and experience specific to the reverse mortgage industry. Companies with which we compete may be able to offer more attractive terms of employment. In addition, we invest significant time and expense in training our employees, which increases their value to competitors who may seek to recruit them. We may not be able to attract, develop, and maintain the skilled workforce necessary to operate our businesses, and labor expenses may increase as a result of a shortage in the supply of qualified personnel. Additionally, the experience of our executive management team is a valuable asset to us. Our executive management team has significant experience in the financial services industry and would be difficult to replace. Disruptions in management continuity could result in operational or administrative inefficiencies and added costs, which could adversely impact our business, financial condition, and results of operations, and may make recruiting for future management positions more difficult or costly. We cannot assure you that we will be able to attract and retain key personnel or members of our executive management team, which may impede our ability to implement our current strategy or take advantage of strategic acquisitions or other growth opportunities that may be presented to us, which could materially affect our business, financial condition, and results of operations. Our failure to implement and maintain effective internal controls over financial reporting could require us to restate financial statements and cause investors to lose confidence in our reported financial information. As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, and the rules and regulations of the applicable listing standards of the NYSE. We expect that the requirements of these rules and regulations will continue to increase our legal, accounting, and financial compliance costs, make some activities more difficult, time-consuming, and costly, and place significant strain on our personnel, systems, and resources. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to develop, maintain, and improve the effectiveness of our disclosure controls and procedures and internal controls over financial reporting, we have expended, and anticipate that we will continue to expend, significant resources, including accounting-related and audit-related costs and significant management oversight. Our internal controls, including any new controls that we develop, may become inadequate

because of changes in conditions in our business. Weaknesses in our disclosure controls and internal controls over financial reporting may be discovered in the future. Any failure to maintain effective disclosure controls and internal controls over financial reporting could have a material and adverse effect on our business, results of operations, and financial condition and could cause a decline in the trading price of our securities. See “~~—~~ Risks related to Ownership of our Class A Common Stock and Warrants — The Company incurs significant ~~increased~~ expenses and administrative burdens as a public company, which could have a material adverse effect on our business, financial condition, and results of operations ” and “~~—~~ Risks related to Ownership of our Class A Common Stock and Warrants — The Company may not be able to effectively continue to implement and maintain controls and procedures required by the Sarbanes- Oxley Act that are applicable to us. ” We may fail to identify or adequately assess the magnitude of certain liabilities, shortcomings, or other circumstances prior to acquiring or investing in a company or business, including potential exposure to regulatory sanctions or liabilities resulting from an acquisition target’s previous activities, internal controls, and security environment. We may from time to time identify opportunities to acquire another company or business. The risks associated with acquisitions include, among others: • failing to identify or adequately assess the magnitude of certain liabilities, shortcomings, or other circumstances prior to acquiring or investing in a company, including potential exposure to regulatory sanctions or liabilities resulting from an acquisition target’s previous activities, internal controls, and information security environment; • significant costs and expenses, including those related to retention payments, equity compensation, severance pay, intangible asset amortization and asset impairment charges, assumed litigation, and other liabilities, and legal, accounting, and financial advisory fees; • unanticipated issues in integrating information, management style, controls and procedures, servicing practices, communications, and other systems including information technology ~~system systems~~; • unanticipated incompatibility of purchasing, logistics, marketing, and administration methods; • failing to retain key employees or clients; • inaccuracy of valuation and / or operating assumptions supporting our purchase price; and • representation and warranty liability relating to a target’s previous lending activities. Before making acquisitions, we conduct due diligence that we deem reasonable and appropriate based on the known facts and circumstances applicable to each acquisition, and we negotiate purchase agreements which we believe adequately protect us from undisclosed — and frequently, disclosed — existing liabilities. Nevertheless, we cannot be certain that the due diligence investigation that we carry out with respect to any acquisition opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating the target. As a result, we may fail to identify or adequately assess the magnitude of certain liabilities, shortcomings, or other circumstances prior to acquiring, investing in, or partnering with a company, including potential exposure to regulatory sanctions or liabilities resulting from an acquisition target’s previous activities, internal controls, and security environment. The success of our acquisitions are dependent, in part, on our ability to integrate, grow, and scale the newly acquired business into our Company efficiently, which poses substantial challenges for management, including challenges related to the management and monitoring of new operations and associated increased costs and complexity. Our capital investments in technology may not..... financial condition and results of operations. A security breach or a cyber- attack could adversely affect our results of operations and financial condition. We collect and store certain personal and financial information from customers, employees, and other third parties. Security breaches or cyber- attacks involving our systems or facilities, or the systems or facilities of our service providers, could expose us to a risk of loss of personally identifiable information of customers, employees, and third parties or other confidential, proprietary, or competitively sensitive information, which could potentially have an adverse impact on our future business with current and potential customers, results of operations, and financial condition. We could also be subjected to cyber- attacks, such as ransomware, that could result in slow performance and loss or temporary unavailability of our information systems, adversely ~~effecting~~ affecting our operational efficiency and ultimately our results of operations and financial condition. ~~Recently, other~~ Other mortgage lenders and servicers have in the past been the subject of cyber- attacks resulting in data breaches and temporary unavailability of information systems. Mortgage lenders, servicers, and other mortgage industry participants may continue to be targeted in such attacks in the future. Globally, cyber- attacks are expected to continue accelerating in both frequency and sophistication with increasing use by malicious actors of tools and techniques that could hinder our ability to identify, investigate, and recover from incidents. Such attacks may also increase as a result of retaliation by ~~Russia~~ members of foreign countries in response to actions taken by the U. S. and other countries in connection with ~~geopolitical conflicts in many parts of the world, such as the ongoing Ukraine- Russia 2’s military invasion of Ukraine~~ war and the conflicts in the Middle East. Furthermore, our employees operate under a hybrid workforce model and such model may be more vulnerable to security breaches. We rely on encryption and other information security technologies licensed from third parties to provide security controls necessary to help in securing online transmission of confidential information pertaining to customers, employees, and other aspects of our business. A failure in our information security technologies may result in a compromise or breach of the technology that we use to protect sensitive data. A party who is able to circumvent our security measures by methods such as hacking, fraud, trickery, or other forms of deception could access sensitive personal and financial information or cause interruption in our operations. We are required to expend capital and other resources to protect against such security breaches or cyber- attacks or to remediate problems caused by such breaches or attacks. Our security measures are reasonably designed to protect against security breaches and cyber- attacks, but our failure to prevent such security breaches and cyber- attacks could subject us to liability, regulatory action, decrease our profitability, and damage our reputation. Even if a failure of, or interruption in, our systems or facilities is resolved timely or an attempted cyber incident or other security breach is successfully avoided or thwarted, it may require us to expend substantial resources or to take actions that could adversely affect customer satisfaction or behavior and expose us to reputational harm. Information security risks have increased because of the increasing industry- wide reliance on technologies, including mobile devices, that are connected over the internet and used to process data and conduct financial and other business transactions, and the increased sophistication and activities of organized crime, perpetrators of fraud, hackers, terrorists, and others. We may not be able to anticipate or implement effective preventative measures against all security breaches of these types, especially because new

vulnerabilities emerge daily, uses change frequently, and attacks can originate from a wide variety of sources. The occurrence of any of these events could adversely affect our business, results of operations, and financial condition. Technology disruptions or failures, including a failure in our operational or security systems or infrastructure, or those of third parties with whom we do business, could disrupt our business, cause legal or reputational harm, and adversely impact our results of operations and financial condition. We are dependent on the secure, efficient, and uninterrupted operation of our technology infrastructure, including computer systems, related software applications, and data centers, as well as those of certain third parties and affiliates. Our websites and computer / telecommunication networks must accommodate a high volume of traffic and deliver frequently updated information, the accuracy and timeliness of which is critical to our business. Our technology must be able to facilitate a loan application experience that equals or exceeds the experience provided by our competitors. **Further, we are working to build a digital channel that will supplement our existing lines of business and leverage automated digital tools to improve efficiency and the overall ease of transacting.** We have or may in the future experience service disruptions and failures caused by system or software failure, fire, power loss, telecommunications failures, team member misconduct, human error, computer hackers, computer viruses and disabling devices, malicious or destructive code, denial of service or information, as well as natural disasters, terrorism, war, health pandemics, and other similar events, and our disaster recovery planning may not be sufficient for all situations. This is especially applicable in the response to the COVID- 19 pandemic and the shift we have experienced in having most of our employees work from their homes, as our employees access our secure networks through their home networks. The implementation of technology changes and upgrades to maintain current and integrate new technology systems may also cause service interruptions. Any such disruption could interrupt or delay our ability to provide services to our clients and loan applicants, and could also impair the ability of third parties to provide critical services to us. **We**

Reputational harm, including as a result of our actual or alleged conduct or public opinion, could adversely affect our business, results of operations, and financial condition. Reputational risk is inherent in our business. Negative public opinion can result from our actual or alleged conduct in any number of activities, including marketing, loan origination, loan servicing, debt collection practices, corporate governance, and other activities. Negative public opinion can also result from actions taken by government regulators and community organizations in response to our activities, from adverse actions taken by rating agencies, from adverse reports published by analysts, from consumer complaints, including in the CFPB complaints database, from litigation filed against us, and from media coverage, whether accurate or not. The reverse mortgage origination business as a whole had reputational issues arise after 2007, when home values were decreasing nationwide, and the only products available to consumers were HECM products. Prior to 2015, HECM products were not underwritten to confirm the ability of borrowers to pay taxes and insurance; while the proceeds provided initial cash benefits to the borrowers, if they ultimately were unable or unwilling to pay property taxes and insurance, foreclosures for default would result, and eventually the reverse mortgage borrowers would be evicted. In addition, for various reasons, borrowers would sometimes not have their spouses as co- borrowers on the reverse mortgage loan, with the result that when the borrower died, the non- borrowing spouse would be facing a due — and — payable balance, which they often were not able to refinance. Because absent an event of default, reverse mortgage loans only become due and payable upon the death of the borrower, and the estate or heirs may not be engaged in the post- termination resolution of the reverse mortgage, reverse mortgages end with foreclosure more often than traditional mortgages. Those public filings ~~are aggregated and come~~ ~~are incorporating artificial intelligence technologies with the result that when the borrower died, the non- borrowing spouse would be facing a due — and — payable balance, which they often were not able to refinance. Because absent an event of default, reverse mortgage loans only become due and payable upon the death of the borrower, and the estate or heirs may not be engaged in the post- termination resolution of the reverse mortgage, reverse mortgages end with foreclosure more often than traditional mortgages. Those public filings are~~ aggregated and come under scrutiny by agenda- driven groups who may not understand that the borrower is not being evicted and simply believe they have spotted a pattern of foreclosure for this type of loan. These issues led to adverse publicity in the reverse mortgage industry. The issuance of specific regulations and guidance requiring that borrowers be clearly informed regarding their obligations to pay taxes and insurance during the application process and the requirement of “ financial assessment ” by HUD starting in 2015 have greatly decreased the risks of default due to failure to pay taxes and insurance. HUD also provided clear guidance regarding both underwriting and servicing of loans involving non- borrower spouses, significantly decreasing the risks of those situations. Borrower counseling by a HUD- approved counseling agency is required on HECM. FAR also requires pre- application counseling by a HUD- approved counseling agency for its ~~proprietary non- agency~~ reverse mortgages, and also underwrites these loans for the borrower’ s willingness and ability to pay property taxes and hazard insurance premiums. **For in addition, for its proprietary non- agency second lien product, FAR also reviews the borrower’ s payment history with respect to the first lien mortgage loan on the related mortgaged property as part of its underwriting process. For its non- agency** reverse mortgages, FAR has more latitude to employ a variety of loss mitigation solutions to avoid foreclosure when the borrower is still living in the home. Nevertheless, there may be situations where foreclosure is the only resolution to the loan. **Further, with respect to the non- agency second lien reverse mortgage product, FAR may be limited in being able to offer loss mitigation solutions if the borrower has defaulted under their first lien mortgage loan, as the first lien mortgage loan lender typically manages the resolution and foreclosure process in such circumstances.** Foreclosures where the reverse mortgage borrower is still living in the home — or even when the borrower is no longer occupying the home — may lead to increased reputational risk. ~~In addition, negative~~ **Negative** publicity due to actions by other reverse mortgage lenders could cause regulatory focus on our business as well. In addition, the CFPB has historically closely scrutinized reverse mortgage marketing practices, publishing a 2015 study on this topic and entering ~~into a~~ ~~into~~ **a number of public consent orders with reverse mortgage lenders over their marketing practices. See “ — Risks Related to Laws and Regulations — AAG / Bloom was subject to two separate enforcement matters with the CFPB and the Company agreed to comply with the terms of the related Orders in connection with its acquisition of operational assets from AAG / Bloom. Failure to comply with such**

Orders would have a detrimental impact on our business, reputation, and financial condition.” Large-scale natural or man-made disasters, such as the recent wildfires in southern California, may lead to further present business, compliance and reputational risks. Recent technological advances in artificial intelligence servicing area. Mortgaged properties are generally required to be covered by hazard insurance in an amount sufficient machine-learning technology both present opportunities and pose risks to cover repairs us. If we fail to keep pace or replacement of the residence. However, when a large scale disaster occurs, the demand for inspectors, appraisers, contractors, and building supplies may exceed availability, insurers and mortgage servicers may be overwhelmed with inquiries rapidly evolving technological developments in artificial intelligence, mail service our competitive position and business results other communications channels may be disrupted, borrowers may suffer. At loss of employment and unexpected expenses which cause the them to default on payments and / or renders same time, use of artificial intelligence has recently become the them source unable to pay deductibles required under the insurance policies, and widespread casualties may also affect the ability of borrowers or others who are needed to effect the process of repair or reconstruction or to execute documents. Loan originations may also be disrupted, as lenders are required to reinspect properties that may have been affected by the disaster prior to funding. In these situations, borrowers and others in the community may believe that servicers and originators are penalizing them for being the victims of the initial disaster and making it harder for them to recover, potentially causing reputational damage to us. Further, if there are significant defaults in the mortgage portfolio that we service as a result of natural or man-made disasters, there are likely to be increased numbers of loans upon which we will be required to foreclose. Larger numbers of foreclosures will increase reputational risk in the mortgage area. Moreover, the proliferation of social media websites attention and political debate. The introduction of these technologies, particularly generative artificial intelligence, into new or existing offerings may result in new or expanded risks and liabilities, including due to enhanced governmental or regulatory scrutiny, litigation, compliance issues, ethical concerns, confidentiality or security risks, as well as the personal use of social media by our employees and other others factors, including personal blogs and social network profiles, also may increase the risk that negative, inappropriate, or unauthorized information may be posted or released publicly that could harm adversely affect our business, reputation and financial or have other negative consequences, including as a results result of our employees interacting with our customers in an unauthorized manner in various social media outlets. In addition, our personnel ability to attract and retain clients is highly dependent upon the external perceptions of our level of service, trustworthiness, business practices, financial condition. and other subjective qualities. Negative perceptions or publicity regarding these matters — even if related to seemingly isolated incidents, or even if related to practices not specific to the origination or servicing of loans, such as debt collection — could erode trust, unbeknownst to us, improperly utilize artificial intelligence and confidence and damage machine learning technology while carrying out their responsibilities. The use of artificial intelligence can lead to unintended consequences, including generating content that appears correct but is factually inaccurate, misleading or our otherwise flawed reputation among existing and potential clients. In turn, this could decrease the demand or for that our products, increase regulatory scrutiny, and detrimentally effect our business, financial condition, and results in unintended biases and discriminatory outcomes, which could harm our reputation and business and expose us to risks related to inaccuracies or errors in the output of operations such technologies and the risk that using such technologies could result in leakage of our confidential information. Climate change, climate change-related regulation, and the increased focus on environmental, social, and governance (“ESG”) issues may adversely affect our business and financial results and damage our reputation. Recently, there has been growing concern from advocacy groups, government agencies, and the general public over the effects of climate change on the environment. Transition risks, such as government restrictions, standards, or regulations intended to reduce greenhouse gas emissions and potential climate change impacts, are emerging and may increase in the future. Evolving ESG rules, regulations, and stakeholder expectations have resulted in, and are likely to continue to result in, increased general and administrative expenses and increased management time and attention spent complying with or meeting such regulations and expectations. Developing and acting on initiatives within the scope of ESG, and collecting, measuring, and reporting ESG related information and metrics can be costly, difficult, and time consuming and is subject to evolving reporting standards, including the SEC’s recently adopted climate-related reporting requirements that the SEC may pursue, new climate disclosure rules adopted by the state of California, and similar proposals by other U. S. regulatory bodies. Such restrictions and requirements could increase our costs or require additional technology and capital investment, which could adversely affect our results of operations. Additionally, ESG and other sustainability matters and the adequacy of our response and disclosures relating to these matters could harm our business, including in areas such as diversity, equity, and inclusion, human rights, climate change and environmental stewardship, support for local communities, corporate governance, and transparency. Increasing governmental, investor, and societal attention to ESG matters, including expanding mandatory and voluntary reporting, diligence, and disclosure on topics such as climate change, human capital, labor, and risk oversight, could expand the nature, scope, and complexity of matters that we are required to control, assess, and report. Further, various third-party organizations have developed ratings processes or second party opinions (“SPOs”) for evaluating companies on their approach to ESG matters. FAR has received an SPO in connection with certain of its private-label non-agency loan securitizations. These third-party ESG ratings may be used by some investors to assist with their investment and voting decisions. Any unfavorable ESG ratings or SPOs may lead to reputational damage and negative sentiment among our investors and other stakeholders. These factors may alter the environment in which we do business and may increase the ongoing costs of compliance and adversely impact our results of operations and cash flows. Conversely, anti-ESG sentiment has gained some momentum across the United States-U. S. Failure to successfully manage divergent ESG-related expectations across stakeholders could erode stakeholder trust, impact our reputation, and adversely affect our business. If we are unable to adequately address such ESG matters or we fail or are perceived to fail to comply with all

laws, regulations, policies, and related interpretations, it could negatively impact our reputation and our business results. Our business is subject to the risks of earthquakes, fires, floods, and other natural catastrophic events, which may increase in frequency or severity as a result of global climate change, and to interruption by man-made issues such as strikes, wars, and civil unrest as well as health pandemics and epidemics. Our business is subject to the risks of earthquakes, fires, floods, and other natural catastrophic events. As the effects of climate change increase, we expect the frequency and impact of weather and climate related events and conditions to increase as well. Such events may cause damage to our systems or operations if they were to impact areas where a significant number of our employees are located. We believe such risk is somewhat mitigated due to the lack of concentration of our employees or business in one building or metro area; however, this geographic diversity may make us more vulnerable to disruptions in technology. See “ — Technology disruptions or failures, including a failure in our operational or security systems or infrastructure, or those of third parties with whom we do business, could disrupt our business, cause legal or reputational harm, and adversely impact our results of operations and financial condition.” Further, natural catastrophic events, such as the recent wildfires in southern California, could result in damage to the properties of our borrowers collateralizing our loans. While the geographic distribution of our borrowers somewhat limits our physical climate risk, the impact of such events would be exacerbated if such events were to occur in areas where a significant number of our borrowers are located. See “ — Our geographic concentration could materially and adversely affect us if the economic conditions in our current markets should decline or if our current markets are impacted by natural disasters.”

Mortgagee Mortgaged properties securing the loans that we originate are required to be covered by hazard insurance customary to the area in which the property is located, however, there could be circumstances where insurance premiums have not been timely paid or the insurance coverage otherwise fails or is insufficient (for example, the National Flood Insurance Program has a cap of \$ 250, 000). Further, in certain areas, such as California, earthquake insurance is not required by HUD or other lenders generally. Additionally, as the risk and severity of weather-related natural disasters potentially increases due to climate change, it may become more difficult for borrowers to obtain affordable insurance. If a property relating to a loan held by us were to incur uninsured damage, it may be difficult to effectively monetize such loan via a sale or securitization. Due to the non-recourse nature of reverse mortgage loans, we may ultimately incur losses on the loan if the damage results in the property being sold for less than the loan balance at loan maturity. In the case of a HECM, we may also incur losses when a loan matures prior to the completion of repairs following a natural disaster, because we are required to reduce our claim to the FHA by the unrepaired damage amount. If properties relating to loans we have already sold or securitized were damaged, we would be exposed to such losses generally only if we had breached a representation or warranty under the related purchase and sale agreement. However, in cases where we have retained some credit risk, we could suffer losses. In addition, natural catastrophic events often lead to increased delinquencies and increased servicing advances, which create additional risk for us. Natural catastrophic events may also result in longer timelines to liquidate loans at maturity or to assign HECM to HUD. In addition, strikes, war, and other geopolitical unrest as well as health pandemics and epidemics, such as the COVID- 19 pandemic, could cause disruptions in our business and lead to interruptions, delays, or loss of critical data. We may not have sufficient protection or recovery plans in certain circumstances, and our business interruption insurance may be insufficient to compensate us for losses that may occur. These types of catastrophic events may also affect loans pending origination that have been rate- locked and loans that we are holding for sale or investment. For example, our gains in connection with securitizations and loans sales, the cost of capital to our Company, and the value of our assets may be adversely affected due to economic or industry sector downturns, geopolitical tensions arising out of wars such as Russia’s ongoing war with Ukraine or the ongoing war between Israel and Hamas conflicts in the Middle East, and any prolonged occurrence of infectious disease or other adverse public health developments. Restrictions and regulations that result from conflicts and public health events may be complex and frequently changing, and they may impose additional legal compliance costs or business risks associated with our operations. Any escalation in such conflicts or events could lead to disruption, instability, and volatility in global markets and industries that could negatively impact our business, results of operations, and financial condition. Our risk management efforts may not be effective. We could incur substantial losses and our business operations could be disrupted if we are unable to effectively identify, manage, monitor, and mitigate financial risks, such as credit risk, interest rate risk, prepayment risk, liquidity risk, and other market-related risks, as well as operational and legal risks related to our business, assets, and liabilities. We are also subject to various laws, regulations, and rules that are not industry specific, including employment laws related to employee hiring, termination, and pay practices; health and safety laws; environmental laws; and other federal, state, and local laws, regulations, and rules in the jurisdictions in which we operate. The Company maintains policies and procedures for compliance with various laws and risk management efforts. Our risk management policies, procedures, techniques, and any updates thereof may not be sufficient to identify all of the risks to which we are exposed, mitigate the risks we have identified, or identify additional risks to which we may become subject in the future. Our transformation into a unified modern retirement solutions platform may also result in our being exposed to risks to which we have not previously been exposed or may increase our exposure to certain types of risks, and we may not effectively identify, manage, monitor, and mitigate these risks as our business activities change or increase. As a result of the application of the acquisition method of accounting in connection with business combinations, the historical consolidated financial statements of the Company are not necessarily indicative of the Company’s future results of operations, financial position, and cash flows, and the Company has recognized, and may recognize in the future, impairment charges related to goodwill, identified intangible assets, and fixed assets. In accordance with Accounting Standards Codification (“ASC”) 350, Intangibles- Goodwill and Other, to the extent goodwill and intangible assets are recorded on the statement of financial condition, the Company is required to test goodwill and any other intangible assets with an indefinite life for possible impairment on an annual basis and on an interim basis if there are indicators of a possible impairment. The Company will also be required to evaluate amortizable intangible assets and fixed assets for impairment if there are indicators of a possible impairment. There is significant judgment required in the analysis of a potential impairment of indefinite and definite-lived

assets. If, as a result of a general economic slowdown, deterioration in one or more of the markets in which the Company operates or impairment in the Company's financial performance and / or future outlook, the estimated fair value of the Company's indefinite and definite-lived assets decreases, the Company may determine that one or more of its indefinite and definite-lived assets is impaired. An impairment charge would be determined based on the estimated fair value of the assets. In prior years, the Company has recognized impairment charges and may in the future be required to recognize additional impairment charges. Any such impairment charge could have a material adverse effect on the Company's business, financial condition, and results of operations.

Risks Related to Our Lending Business—Our loan origination and servicing revenues are highly dependent on macroeconomic and U. S. residential real estate market conditions. Our success depends largely on the health of the U. S. residential real estate market, which is seasonal, cyclical, and affected by changes in general economic conditions impacted by national and global events and governmental policy initiatives that are beyond our control. **The election of a new U. S. president for a term that commenced in 2025, coupled with a consolidation of party control of both chambers of Congress, has led to new legislative and regulatory initiatives and the roll- back of certain initiatives of the previous presidential administration, which may impact our business in unpredictable ways. For example, the federal government has recently indicated its intent to alter its approach to international trade policy and in some cases to renegotiate, or potentially terminate, certain existing bilateral or multi- lateral trade agreements and treaties with foreign countries, and has made proposals and taken actions related thereto. The federal government has recently imposed tariffs on certain foreign goods, including steel and aluminum, and the Trump administration has indicated its intention to impose tariffs on imports of certain products into the U. S. and such policies have triggered reciprocal tariffs against the U. S. The Trump administration's trade program and economic policy initiatives more generally are still in their initial stages, and rapid changes in laws with uncertain interpretation and implementation may occur. These changes may have a direct impact on economic conditions relevant to our business, including real estate values and prevailing mortgage rates, however, the extent of the impact remains uncertain.** Economic factors such as increased interest rates, slow economic growth or recessionary conditions, the pace of home price appreciation or the lack of it, changes in household debt levels, inflationary pressures that limit surplus cash, and increased unemployment or stagnant or declining wages affect demand for loans, borrowers' ability to qualify for and comply with the terms of loans, and our ability to monetize and collect on loans. Adverse economic conditions may make a loan product less attractive to a borrower due to higher associated costs, particularly in higher interest rate environments, as well lower limits on the funds a borrower is eligible to receive, particularly in environments where property values have been stagnant or are declining. This in turn decreases demand from borrowers and adversely impacts our origination volumes. Further, adverse economic conditions may make it more difficult for borrowers to qualify for a loan product due to difficulties meeting requirements with respect to assets and / or income, particularly in slow economic growth and / or high inflation environments where potential borrowers may have limited surplus cash or income, also adversely impacting our origination volumes. Similar conditions resulting in limitations on cash and / or income may also make it more difficult for a borrower to comply with the ongoing requirements associated with their loan, which in turn can result in increased advancing obligations in our role as servicer and higher rates of default. Higher rates of default will result in lower revenue for loans we service for Ginnie Mae in particular because we collect servicing fees from them only for performing loans, and may delay collection of servicing fees from some securitizations. Further, defaults may ultimately result in losses, particularly if property values are depressed and it becomes difficult to recover the outstanding loan balance via foreclosure and sale of the mortgaged property. Additionally, uncertainty or deterioration in mortgage market conditions could lead to a tightening of the credit markets, higher interest rates, and widening credit spreads, which will result in lower net proceeds in connection with loans sold or securitized in the secondary market. This can particularly be the case because higher interest rates lead to lower loan origination volumes, which generally place downward pressure on margins, thus compounding the effect of the deteriorating market conditions. Such events could be detrimental to our business. Actual events involving limited liquidity, defaults, non- performance, or other adverse developments that affect financial institutions, transactional counterparties, or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. Although we maintain multiple banking relationships with both national and regional banks and actively monitor the financial stability of such institutions, a failure at any institution where we maintain a banking relationship could constrain our liquidity and result in a loss of funds, especially where deposited amounts exceed any insured maximum level, and result in significant market volatility. Additionally, if any parties with whom we conduct business are unable to access deposits with a financial institution, funds pursuant to certain instruments, or lending arrangements with such a financial institution, the credit quality of our counterparties may be adversely impacted and limited access to funds could compromise the ability of our customers to pay their obligations to us, or to enter into new commercial arrangements with us. Any of the circumstances described above, alone or in combination, may lead to volatility in or disruption of the credit markets at any time and may have a detrimental effect on our business. FAR's status as an approved non- supervised FHA mortgagee and an approved Ginnie Mae issuer is subject to compliance with each of their respective guidelines and other conditions they may impose, and the failure to meet such guidelines and conditions could have a material adverse effect on our overall business and our financial position, results of operations, and cash flows. FAR is an approved non- supervised FHA mortgagee and an approved Ginnie Mae issuer. In connection with these approvals, FAR is subject to compliance with each of the FHA's and Ginnie Mae's respective regulations, guides, handbooks, mortgagee letters, and all participants' memoranda. For example, as a Ginnie Mae issuer, FAR must meet certain minimum capital requirements, including, but not limited to, Ginnie Mae's requirement that non- depository institutions hold equity capital in the amount of at least 6 % of total assets. Ginnie Mae has provided a waiver to FAR in connection with its equity capital requirements, which is necessary in large part due to the consolidation of the HMBS and other non- recourse transactions onto FAR's balance sheet. Any failure by FAR to maintain the

Ginnie Mae equity capital waiver or any loss of FAR's status as an approved non-supervised FHA mortgagee or an approved Ginnie Mae issuer, could have a material adverse effect on our overall business and our financial position, results of operations, and cash flows. See "— Risks Related to Laws and Regulations — There may be material changes to the laws, regulations, rules, or practices applicable to the FHA, HUD, or Ginnie Mae which that could materially adversely affect the reverse mortgage industry as a whole, including our business." We are subject to risks arising from conditions in the real estate and mortgage markets, in particular, the reverse mortgage market; we rely on the initiatives of HUD and Ginnie Mae to support the HECM program. The success of our business strategies and our results of operations are materially affected by current or future conditions in the real estate and mortgage markets, in particular, the reverse mortgage market and the regulatory landscape applicable to the reverse mortgage market. FAR originates and acquires proprietary non-agency reverse mortgage loans as well as HECM in accordance with the FHA's HECM program. HECM are insured by the FHA. As an approved non-supervised FHA mortgagee and an approved Ginnie Mae issuer, FAR pools interests in HECM (also known as participations) into HMBS. The Ginnie Mae HMBS guide imposes a mandatory repurchase requirement on a HECM issuer to repurchase a pooled HECM when such HECM reaches 98% of its maximum claim amount (which is the maximum FHA insurance amount available for a HECM). In December 2022, Reverse Mortgage Funding LLC ("RMF"), one of the nation's largest reverse mortgage lenders, filed for Chapter 11 bankruptcy primarily due to its inability to secure adequate financing relating to its Ginnie Mae HECM repurchase obligations. RMF's bankruptcy filing initially created disruption in the reverse mortgage market and adversely impacted the liquidity of reverse mortgage-backed securities as well as the cost of and availability of credit to reverse mortgage financial participants. Following RMF's bankruptcy filing, each of HUD and Ginnie Mae took several steps to support the reverse mortgage market. Among other things, HUD issued a mortgagee letter which that streamlined certain processes relating to assignment of mortgage loans to HUD, thereby creating efficiency in the assignment process for mortgagees and easing the financial burden relating to assignments. In addition, HUD changed the determination of the debenture interest rate (the interest earned on loss claims between the due & and payable date and the date of the loss claim) to be as of the date the loan becomes due & and payable rather than the initial date the loan was endorsed by the FHA. Further, Ginnie Mae issued a memorandum relating to its HMBS program which that allows issuers to pool draws relating to line of credit mortgage loans multiple times in a calendar month. The FHA and In November 2024, Ginnie Mae have also proposed announced the finalized term sheet for its HMBS 2.0 program expected to be implemented in 2025. Pursuant to the HMBS 2.0 program, HECM with UPBs ranging from 98% to 148% of the maximum claim amount are expected to be eligible for securitization into an HMBS. This would therefore enable us to securitize into HMBS additional measures to support reverse mortgage participants, including proposals to expand permissible assignments of HECM that are required to be bought out include instances where there is a death event of pools of HECM securitized pursuant to the related mortgagor(s). Ginnie Mae's existing HMBS has indicated that it is in the process of developing a new program to finance buyout mortgage loans. Our Company has welcomed these proposed changes from HUD and Ginnie Mae and relies on the implementation of the HMBS 2.0 program for the benefit of reverse mortgage market participants. If the HMBS 2.0 program is not enacted or is delayed or if the final terms of the HMBS 2.0 program do not provide the anticipated financial relief, it may adversely affect the reverse mortgage market as well as the Company and its future strategies proposed changes by HUD and Ginnie Mae to allow the industry to stabilize post-RMF results of operations. In addition, given our Company's bankruptcy prominent position in the reverse mortgage industry, from time to time, our Company has and, in the future, will, proactively approach applicable state and / or federal regulators to advocate for certain improvements to the regulatory framework applicable to reverse mortgage origination and as well as HECM program requirements. No assurance can be given as to whether we or not any proposed changes will be enacted and the terms of successful in our efforts to obtain such improvements proposals if and when they are enacted. If such proposals are not enacted or for are delayed or our if Company as well as the other final terms of such proposals do not provide anticipated financial relief, it may adversely affect the reverse mortgage market participants as well as the Company and its future strategies and results of operations. See "— Our loan origination and servicing revenues are highly dependent on macroeconomic and U. S. residential real estate market conditions." We face competition that could adversely affect us and we may not be able to maintain or grow the volume of our loan originations. We compete with other third-party businesses in originating reverse mortgage loans. Some of our competitors may have more name recognition and greater financial and other resources than we have, including better access to capital. Competitors who originate reverse mortgage loans to retain for investment may have greater flexibility in approving loans. In our reverse mortgage business, we operate at a competitive disadvantage to federally chartered depository institutions because they enjoy federal preemption. As a result, they conduct their business under relatively uniform U. S. federal rules and standards and are not subject to licensing and certain consumer protection laws of the states in which they do business. Unlike our federally chartered competitors, we are generally subject to all state and local laws applicable to lenders in each jurisdiction in which we originate and service loans. See "— Risks Related to Laws and Regulations — Unlike competitors that are national banks, we are subject to state licensing and operational requirements that result in substantial compliance costs and risks." Depository institutions also enjoy regular access to very inexpensive capital. To compete effectively, we must maintain a high level of operational, technological, and managerial expertise, as well as access to capital at a competitive cost. We cannot assure you that we will remain competitive with other originators in the future, a number of whom also compete with us in obtaining financing. In addition, other competitors with similar objectives to our own may be organized in the future and may compete with us. These competitors may be significantly larger than us, may have access to greater capital and other resources, or may have other advantages. Furthermore, some competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships than us. We cannot assure you that the competitive pressures we face will not have a material adverse effect on our business, financial condition and results of operations. Reputational harm, including as a result of our actual..... detrimentally effect our business, financial condition

and results of operations. We require significant leverage in order to fund mortgage originations, make servicing advances, and finance our investments. Accordingly, our ability to fund our mortgage originations, to make servicing advances, and to continue investments depends on our ability to secure financing on acceptable terms, to comply with the conditions of our existing financings, and to renew and / or replace existing financings as they expire. These financings may not be available on acceptable terms or at all. If we are unable to obtain these financings, we may need to raise the funds we require in the capital markets or through other means, any of which may increase our cost of funds. As of December 31, 2023-2024, we have entered into 13-14 warehouse lines of credit, MSR lines of credit and other secured lines of credit, with an aggregate of \$ 1.5-6 billion in borrowing capacity. See “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations — Summary of Certain Indebtedness. ” These financings require us to comply with various covenants, including financial covenants, and in the past we have had difficulties complying with certain financial covenants and have had to obtain waivers or amendments to the terms of the affected covenants or, in a few instances, have elected to terminate the applicable financing arrangements. See “ —Risks Related to Our Indebtedness — The agreements that govern our senior notes, warehouse facilities, and lines of credit impose significant operating and financial restrictions on the Company and its restricted subsidiaries, which may prevent us from capitalizing on business opportunities ” and “ —Risks Related to Our Indebtedness — The agreements that govern our warehouse facilities and lines of credit typically contain covenants relating to our financial condition and we may experience difficulties in complying with such financial covenants. ” If we were to experience difficulties in complying with covenants in the future and we were not able to secure a waiver or amendment or terminate the applicable financing arrangement, we could breach such a covenant and an event of default could occur. Upon the occurrence and during the continuance of an event of default, the holders of our indebtedness could elect to declare all the funds borrowed to be due and payable. See “ —Risks Related to Our Indebtedness — Our failure to comply with the requirements of our outstanding indebtedness could result in an event of default that could materially and adversely affect our financial condition and ultimately force us into liquidation or bankruptcy. ” Our financings also have fair value risk pursuant to which our lending counterparties have the right to value the related collateral. In the event the market value of the collateral decreases (typically as determined by the related lender) and a borrowing base deficiency exists, the related lender can require us to prepay the debt or require us to post additional margin as collateral at any time during the term of the related agreement. Such an event could have an adverse impact on our liquidity and financial condition and could also present a risk of a covenant default and related consequences as referenced in the prior paragraph. We are generally required to renew a significant portion of our debt financing arrangements each year and in cases of certain securities repurchase agreements, the terms are shorter such as biweekly or monthly rolling periods, which exposes us to refinancing and interest rate risks. Furthermore, our counterparties are not required to renew or extend our repurchase agreements or other financing agreements upon the expiration of their stated terms (which term may be as short as two weeks in the case of certain securities repurchase agreements). Our ability to refinance existing debt (including refinancing existing securitization debt) and borrow additional funds is affected by a variety of factors: • the available liquidity in the credit markets and in particular, the availability of credit in the market for asset- backed lending; • prevailing interest rates; • an event of default, a negative ratings action by a rating agency, and limitations imposed on us under the agreements governing our current debt that contain restrictive covenants and borrowing conditions that may limit our ability to raise additional debt; • our financial condition and our ability to comply with our financial covenants; • the strength of the lenders from which we borrow and the amount of borrowing such lenders will or may legally permit to us; and • limitations on borrowings imposed by the amount of eligible collateral pledged, which may be less than the borrowing capacity of the facility. In the event that any of our loan funding facilities is terminated or is not renewed, or if the principal amount that may be drawn under our funding agreements that provide for immediate funding at closing were to significantly decrease, we may be unable to find replacement financing on commercially favorable terms, or at all. This could have a material adverse effect on our business, liquidity, financial condition, cash flows, and results of operations. Further, if we are unable to refinance or obtain additional funds for borrowing (including through the securitization markets), our ability to maintain or grow our business could be limited. We do not currently and may not in the future actively hedge our assets, and if we do hedge our assets, our hedging strategies may not be successful in mitigating our risks associated with changes in interest rates and valuations; our Company is exposed to other credit risk. Our profitability is directly affected by changes in interest rates. The market value of closed loans held for sale and interest rate locks generally change along with interest rates. The value of such assets moves opposite of interest rate changes. For example, as interest rates rise, the value of existing mortgage assets falls. Further, a portion of our assets consist of MSR and the residual fair value of reverse mortgage loans above their related obligations, which may fluctuate in value. We have not currently entered into hedges to reduce our exposure to the risks described in the prior paragraph. As described in further detail below, there are inherent risks that come with entering into hedges. In order to enter into hedges the Company needs sufficient liquidity to withstand the adverse impacts of hedging. The Company has determined that given its current position the risks that would come with entering into hedges outweigh the potential benefits. Therefore, currently the Company’ s risks described in the prior paragraph are not mitigated by hedges. The Company may in the future decide to enter into hedges. However, there can be no assurance such hedges would adequately protect us from the aforementioned interest rate and fair value risks, or that a hedging strategy utilized by us would be well- designed or properly executed to adequately address such risks. In the event we enter into hedges, our hedge instruments will be accounted for as free- standing derivatives and included on our consolidated statements of financial condition at fair market value. Our operating results could be negatively affected because the losses on the hedge instruments we enter into may not be offset by a change in the fair value of the related hedged transaction. Our hedging strategies could also require us to provide cash margin to our hedging counterparties from time to time. ~~FINRA The Financial Industry Regulatory Authority, Inc.~~ requires us to provide daily cash margin to (or receive daily cash margin from, depending on the daily value of related MBS) our hedging counterparties from time to time. The collection of daily margin between us and our hedging counterparties could, under certain MBS market conditions, adversely affect our short-

term liquidity and cash- on- hand. Additionally, our hedge instruments may expose us to counterparty risk — the possibility that a loss may occur from the failure of another party to perform in accordance with the terms of the contract, which loss exceeds the value of existing collateral, if any. Further, although our Company may hedge in order to mitigate interest rate risks, our Company’ s assets are still exposed to market risks due to variations in prepayment speeds and credit spreads. Prepayment speed is the measurement of how quickly loans are repaid above the amortization schedule or, in the case of reverse mortgage loans, how far in advance of the expected maturity date the loans are repaid. Increasing prepayment speed may adversely affect the value of our MSR, loans , and our retained securities. Credit spreads measure the yield demanded on securities by the market based on their credit relative to a specific benchmark. Volatility in market conditions, resulting from events such as the unprecedented COVID- 19 global pandemic and economic shutdown, or unstable geopolitical conditions such as the ongoing military action by Russia against Ukraine or the ongoing ~~Israel– Hamas war~~ **conflicts in the Middle East** , could cause credit spreads to widen, which reduces, among other things, availability of credit to our Company on favorable terms, liquidity in the market , and price transparency of real estate related or asset- backed assets. Such market conditions can be volatile from time to time and can further deteriorate as a result of a variety of factors beyond our control with adverse effects to our financial condition. These events may impede, delay , or complicate our ability to securitize or sell our assets, increase financing costs for our Company , and adversely impact our ability to borrow capital generally. We generally do not hedge credit spreads. A disruption in the secondary reverse mortgage loan market, including the MBS market, could have a detrimental effect on our business. Demand in the secondary market and our ability to complete the sale or securitization of our loans or other receivables depends on a number of factors, many of which are beyond our control, including general economic conditions, general conditions in the banking system, the willingness of lenders to provide financing for reverse mortgage loans, the willingness of investors to purchase reverse mortgage loans and MBS , and changes in regulatory requirements. Disruptions in the general MBS market may occur. Any significant disruption or period of illiquidity in the general MBS market could directly affect our liquidity because no existing alternative secondary market would likely be able to accommodate on a timely basis the volume of loans that we typically sell in any given period. Accordingly, if the MBS market experiences a period of illiquidity, we might be prevented from selling the loans that we produce into the secondary market in a timely manner or at favorable prices, which could be detrimental to our business, including, but not limited to, increasing our cost of funds due to extended dwell time on our warehouse lines, and a negative impact on our liquidity due to write- downs on the value of the loans held on our balance sheet and the application of large decreases in advance rates due to longer dwell times on our warehouse lines. We have **increased the volume of non- agency second lien reverse mortgage loan originations and are focused on further expanding this product offering to new customers. We either securitize non- agency second lien reverse mortgage loans into mortgage- backed securities sold to investors or sell them as whole loans to investors. Second lien mortgage loans are generally a riskier product than first lien mortgage loans given the subordinate lien position. See “ — Risks with respect to our non- agency second lien reverse mortgage loan product could ultimately result in delays or shortfalls in recoveries of amounts due from borrowers.” As a result, the investor pool for second lien mortgage loans is generally more limited than the investor pool for first lien mortgage loans. If a market disruption occurs due to a lack of liquidity for residential non- agency mortgage loans or from an increase in credit losses on second lien mortgage loans, we may not be able to sell or securitize our non- agency second lien reverse mortgage loans, or we may be required to sell or securitize these loans at a significant loss. Additionally, the purchasers of these loans may experience their own financial disruption and no longer be willing to invest in second lien mortgage loans. Any of these occurrences could materially and adversely affect our business, liquidity, financial position, and results of operations. We have** third- party secondary market risks and counterparty risks (including mortgage loan brokers) that could have a material adverse effect on our business, liquidity, financial condition , and results of ~~operation~~ **operations** . Secondary Market Risks: We provide representations and warranties to purchasers and insurers of our loans and in connection with our securitization transactions, as well as indemnification for losses resulting from breaches of representations and warranties. In the event of a breach, we may be required to repurchase a mortgage loan or indemnify the purchaser, and any subsequent loss on the mortgage loan may be borne by us. While our contracts vary, they generally contain broad representations and warranties, including but not limited to representations regarding loan quality and underwriting (including compliant appraisals, calculations of income and indebtedness, and occupancy of the mortgaged property); securing of adequate mortgage and title insurance within a certain period after closing; and compliance with regulatory requirements. We may also be required to repurchase loans if the borrower fails to make certain loan payments due to the purchaser. These obligations are affected by factors both internal and external in nature, including the volume of loan sales and securitizations, to whom the loans are sold and the terms of our purchase and sale agreements, the parties to whom our purchasers sell the loans subsequently and the terms of those agreements, actual losses on loans which have breached representations and warranties, our success rate at curing deficiencies or appealing repurchase demands, our ability to recover any losses from third parties, the overall economic condition in the housing market, the economic condition of borrowers, the political environment at investor agencies , and the overall U. S. and world economies. Many of the factors are beyond our control and may lead to judgments that are susceptible to change. For HECM, we, in our capacity as a Ginnie Mae issuer, also have an obligation to buy HECM out of the HECM pools securitized into HMBS when the **UPB unpaid principal balance** of a HECM reaches 98 % of its maximum claim amount. Any significant increase in required loan repurchases could have a significant adverse impact on our cash flows and could also have a detrimental effect on our business and financial condition. When engaging in securitization transactions, we also prepare marketing and disclosure documentation, including term sheets, offering documents , and prospectuses, that include disclosures regarding the securitization transactions and the assets being securitized. If our marketing and disclosure documentation is alleged or found to contain material inaccuracies or omissions, we may be liable under federal and state securities laws (or under other laws) for damages to third parties that invest in these securitization transactions, including in circumstances where we relied on a third- party in preparing accurate

disclosures, or we may incur other expenses and costs in connection with disputing these allegations or settling claims. We have also engaged in selling or contributing loans to third parties who, in turn, have securitized those loans. In these circumstances, we have in the past and may in the future also prepare marketing and disclosure documentation, including documentation that is included in term sheets, offering documents, and prospectuses relating to those securitization transactions. We could be liable under federal and state securities laws (or under other laws) or contractually for damages to third parties that invest in these securitization transactions, including liability for disclosures prepared by third parties or with respect to loans that we did not sell or contribute to the securitization. Additionally, we typically retain various third-party service providers when we engage in securitization transactions, including underwriters or initial purchasers, trustees, administrative and paying agents, and custodians, among others. We frequently contractually agree to indemnify these service providers against various claims and losses they may suffer in connection with the provision of services to us and / or the securitization trust. To the extent any of these service providers are liable for damages to third parties that have invested in these securitization transactions, we may incur costs and expenses as a result of these indemnities. Third-Party Loan Broker Risk: The brokers through whom we originate have parallel and separate legal obligations to which they are subject. While these laws may not explicitly hold the originating lenders responsible for the legal violations of such brokers, U. S. federal and state agencies could impose such liability and we may therefore be subject to claims for fines or other penalties based upon the conduct of the brokers with whom we do business. The U. S. Department of Justice (the “DOJ”), through its use of a disparate impact theory under the Fair Housing Act, is actively holding home loan lenders responsible for the pricing practices of independent third-party brokers, alleging that the lender is directly responsible for the total fees and charges paid by the borrower even if the lender neither dictated what the broker could charge nor kept the money for its own account. In addition, under TILA, we may be held responsible for improper disclosures made to clients by brokers. Counterparty Credit Risks: We are exposed to counterparty credit risk in the event of non-performance by counterparties to various agreements, including our lenders, servicers, and hedge counterparties. Although certain warehouse and other financing facility lines are committed, we may experience a disruption in operations due to a lender withholding funding of a borrowing requested on the respective financing facility. Any of the above could adversely affect our business, liquidity, financial condition, and results of operations. We have risks related to our Subservicers that could have a material adverse effect on our business, liquidity, financial condition, and results of operation **operations**. Each of our lending businesses acts as named servicer with respect to loans that we are required to service (including as an issuer of HMBS) and in each such case, the related business contracts with various third parties (collectively, the “Subservicers”) for the subservicing of the loans. In addition, we engage Subservicers to service loans that we hold on our balance sheet. FAR has contracted with Compu-Link Corporation (d / b / a Celink), a Michigan corporation (“Celink”), as a Subservicer to perform reverse mortgage servicing functions on our behalf, and with ServiceMac, LLC, a Delaware limited liability company (“ServiceMac”), as a Subservicer of its **proprietary non- agency hybrid mortgage loans originated prior to the discontinuation of the non- agency** hybrid mortgage loan product. While we have discontinued and wound down our traditional mortgage lending segment and our commercial lending segment, **FAM we still services service** certain traditional and commercial mortgage loans originated prior to the wind down. **FAM has and FAR have** contracted with LoanCare, LLC, a Virginia limited liability company (“LoanCare”), and **ServiceMac as Subservicers- Subservicer** to perform traditional mortgage servicing functions on our behalf (LoanCare and ServiceMac, in such capacity, each referred to herein as a the “Traditional Servicer” and collectively as the “Traditional Servicers”). FAM has contracted with Servis One, Inc. d / b / a BSI Financial Services, a Delaware corporation, and **Specialized Loan Servicing LLC, a Delaware limited liability company** (the “Commercial Servicers- Servicer”), as **Subservicers- Subservicer** to perform commercial mortgage servicing functions. These subservicing relationships present a number of risks to us. We rely on Celink to subservice all of our reverse mortgage portfolio (other than FAR’s **proprietary discontinued non- agency** hybrid mortgage loan product), including the HECM portfolio. Failure by Celink to meet the requirements of the HUD servicing guidelines can result in the assessment of fines and loss of reimbursement of loan related advances, expenses, interest, and servicing fees. Moreover, if Celink is not vigilant in encouraging borrowers to make their real estate tax and property insurance premium payments, the borrowers may be less likely to make these payments, which could result in a higher frequency of default for failure to make these payments. If Celink misses HUD and Ginnie Mae timelines for liquidating non-performing assets, loss severities may be higher than originally anticipated, and we may be subject to penalties by HUD and Ginnie Mae, including curtailment of interest. If fines or any amounts lost are not recovered from Celink, such events frequently lead to the eventual realization of a loss by us. **Further, Celink services our non- agency second lien reverse mortgage loan product, which presents unique challenges. See “ — Risks with respect to our non- agency second lien reverse mortgage loan product could ultimately result in delays or shortfalls in recoveries of amounts due from borrowers.”** We rely on ServiceMac to subservice our **proprietary discontinued non- agency** hybrid mortgage loan product, which combines features of both traditional residential mortgages and reverse mortgages. Many of the risks specific to the subservicing of either traditional residential mortgages or reverse mortgages both apply to this product. Also, due to the unique nature of this product, issues or questions of first impression may arise from time to time, resulting in subservicing-related challenges and uncertainties. In our reverse mortgage business, we believe the number of viable subservicers is limited, either due to the requisite Ginnie Mae authority and experience needed or, in the case of our **proprietary non- agency second lien reserve mortgage loan product and our discontinued non- agency** hybrid mortgage loan product, due to the unique nature of the **product products** and the need to combine both forward and reverse mortgage servicing functions when subservicing the product. Unless more subservicers enter this space, the quality of subservicing practices may deteriorate, and we could have limited options in the event of Subservicer failure. The failure of a Subservicer to effectively service our HECM, **proprietary non- agency** reverse mortgage loans, and / or **proprietary discontinued non- agency** hybrid mortgage loans could have a material and adverse effect on our business and our financial condition. We have sold or transferred a substantial portion of our traditional mortgage and commercial mortgage MSR in **over the course of 2023 and 2024**, which

has reduced our exposure to the Traditional Servicers- Servicer and the Commercial Servicers- Servicer. We anticipate selling or transferring much of our remaining traditional mortgage and commercial mortgage MSR in 2024, which would further reduce our exposure to the Traditional Servicers and the Commercial Servicers. However, while we continue hold MSR relating to service traditional mortgages and commercial mortgages, we remain subject to risks resulting from the failure of such servicers to meet the requirements in their applicable servicing agreements, such as the risk of loss of reimbursement of loan related advances, expenses, interest, and servicing fees. Our Subservicers may be required to be licensed under applicable state law, and they are subject to various federal and state laws and regulations, including regulation by the CFPB. See “ Risks Related to Laws and Regulations — Unlike competitors that are national banks, we are subject to state licensing and operational requirements that result in substantial compliance costs and risks. ” Failure of the Subservicers to comply with applicable laws and regulations may expose them to fines, responsibility for refunds to borrowers, loss of licenses needed to conduct their business, and third- party litigation, all of which may adversely impact the Subservicers’ financial condition and ability to perform their responsibilities under the related subservicing agreement. In addition, regulators or third parties may take the position that we were responsible for the Subservicers’ actions or failures to act. In that event, we might be exposed to the same risks as the Subservicers. Our Subservicers may experience financial difficulties from time to time arising out of legal and regulatory issues as described in the prior paragraph or arising from other events. If any of our Subservicers experiences financial difficulties, including as a result of a bankruptcy, it may not be able to perform its subservicing and indemnification duties under the related subservicing agreement. There can be no assurance that each of our Subservicers will remain solvent or that such Subservicer will not file for bankruptcy at any time. If any of our Subservicers or any of their respective vendors fails to perform its duties pursuant to its related subservicing agreement, whether due to legal and regulatory issues or financial difficulties as described in the two preceding paragraphs or for any other reason, our business acting as the named servicer (or for balance sheet loans, the owner of the loan) will be required to perform the servicing functions previously performed by such Subservicer or cause another subservicer to perform such duties, to the extent required pursuant to the related servicing agreement. The process of identifying and engaging a suitable successor subservicer and transitioning the functions performed by our Subservicer to such successor subservicer could result in delays in collections and other functions performed by our Subservicer and expose our business to breach of contract and indemnity claims relating to its servicing obligations. Such delays may also adversely affect the value of the residual interests that we own in our securitizations and loans. If we do suffer a loss due to a Subservicer’ s failure to perform, the recovery process against a Subservicer can be prolonged and may be subject to our meeting minimum loss deductibles under the indemnification provisions in our agreements with the Subservicer. The time may be extended as the Subservicer has the right to review underlying loss events and our request for indemnification. The amounts ultimately recovered from the Subservicers may differ from our estimated recoveries recorded based on the Subservicers’ interpretation of responsibility for loss, which could lead to our realization of additional losses. We are also subject to counterparty risk for collection of amounts which may be owed to us by a Subservicer. For example, Reverse Mortgage Solutions (“ RMS ”), who previously serviced a significant amount of loans for FAR, filed for Chapter 11 bankruptcy protection on February 11, 2019. RMS subsequently rejected its subservicing agreement with FAR. FAR filed a claim in the RMS bankruptcy for losses and potential future losses resulting from RMS’ failure to service loans in accordance with the terms of the subservicing agreement, and while FAR recovered certain amounts, it was less than the estimated current and future losses. We also may suffer losses as a result of our agreement to indemnify our Subservicers for any losses resulting from their subservicing of the mortgage loans in accordance with the related subservicing agreement (so long as such loss does not result from the applicable Subservicer’ s failure to act in accordance with standards specified under the related subservicing agreement). To the extent that we do not have a right to reimburse ourselves for the same amounts under our servicing agreements or if there are insufficient collections in respect of the mortgage loans for such reimbursements, we may face losses in our servicing business.

With respect to our non- agency second lien reverse mortgage loan product, our lien is second in priority behind the first lien of a traditional forward mortgage loan or home equity line of credit collateralized by the same mortgaged property. The first lien mortgage loan lender and servicer are responsible for monitoring to ensure the borrower is meeting their obligations under the first lien mortgage loan, including making required tax, insurance, and / or property charge payments and repairs that are also required to be made pursuant to the terms of our second lien mortgage loan. The first lien mortgage loan lender and servicer will typically be the first to address any instances of non- compliance with the borrower and to work with the borrower regarding loss mitigation opportunities and resolution processes. We will typically only intervene if the first lien mortgage loan lender and servicer have failed to cause the borrower to come into compliance or if the borrower is only non- compliant with the second lien mortgage loan but remains in compliance with the first lien mortgage loan. We therefore depend on the first lien mortgage loan lender and servicer to take appropriate steps with respect to non- compliance and loss mitigation. If they fail to do so, it could ultimately result in delays or shortfalls in collections with respect to our second lien mortgage loan. The Company, in conjunction with its Subservicer, also monitors the status of the first lien mortgage loan in addition to the status of the second lien mortgage loan. However, the information the Company has regarding the status of the first lien mortgage loan may be inaccurate, unavailable, incomplete, or delayed. This may in particular be the case because our second lien mortgage loan does not require monthly principal or interest payments. Lenders and servicers with respect to other types of second lien products that do require monthly principal and interest payments may be more quickly alerted to a potential issue with respect to the status of a related first lien loan due to the borrower’ s failure to make a required monthly principal or interest payment on their second lien loan. Further, the Company’ s Subservicer, Celinek, is a reverse mortgage servicer. Given that the second lien product is new in the reverse mortgage market, Celinek does not have substantial experience with subservicing second lien mortgage loans. While the Company has deployed resources into servicing practices for reverse mortgage loans in a second lien position, including implementing monitoring services to enhance its oversight capabilities

to protect our lien position, no assurance can be given that we will be successful in obtaining accurate, complete, and timely information regarding the first lien mortgage loan. If an event of default occurs with respect to the first lien mortgage loan, the first lien mortgage loan lender may foreclose on the mortgaged property without our consent. If the first lien mortgage loan lender initiates foreclosure processes, the first lien mortgage loan lender and servicer will control the timing, method, and procedure of the foreclosure action. In such circumstances, we will rely on the first lien mortgage loan lender and servicer to manage the foreclosure and sale process in a skillful and efficient manner. However, the proceeds of the ultimate foreclosure sale will be allocated first to the first lien mortgage loan lender until the first lien mortgage loan is paid in full, and only then to the holder of the second lien mortgage loan. The primary incentive of the holder of the first lien mortgage loan will therefore be to recover the amounts due with respect to the first lien mortgage loan, not the second lien mortgage loan. The Company will need to timely assess the related mortgaged property to determine if it is in the Company's best interest to submit a bid to purchase the mortgaged property at the foreclosure sale to enable the Company and its Subservicer to preserve the equity in the mortgaged property. Purchasing the mortgaged property at foreclosure sale enables the Company and its Subservicer to manage the ultimate liquidation of the mortgaged property with the goal of recovering amounts sufficient to recoup the amount paid to purchase the mortgaged property at foreclosure sale as well as the amounts due with respect to the second lien mortgage loan. Alternatively, we may initiate foreclosure processes if an event of default occurs with respect to our second lien reverse mortgage loan that either (i) constitutes an event of default under the first lien mortgage loan for which the first lien mortgage loan lender and its servicer have not taken action or (ii) does not constitute an event of default under the first lien mortgage loan. In such case, we in conjunction with our Subservicer will need to manage the foreclosure and sale process in a skillful and efficient manner in an effort to recover all amounts due under both mortgage loans, including any foreclosure costs. If foreclosure and disposition processes are not conducted by the first lien mortgage loan lender, the first lien mortgage loan servicer, the Company, and / or the Company's Subservicer in a manner that results in sufficient funds to satisfy all amounts due under both mortgage loans, including any foreclosure costs, any portion of the second lien mortgage loan balance in excess of proceeds available to the second lien mortgage loan lender will be charged off. We are required to make servicing advances that can be subject to delays in recovery or may not be recoverable in certain circumstances. During any period in which a borrower is not making payments in respect of property taxes, insurance premiums, or homeowners association dues, we are generally required under most of our servicing agreements to advance our own funds to meet contractual requirements to preserve the related mortgaged property by paying such property taxes, insurance premiums, and homeowners association dues, as well as legal expenses and other protective advances. With respect to any loan in foreclosure, prior to liquidation or sale of the related property, we also advance funds to maintain, repair, and market the property. As home values change, we may have to reconsider certain of the assumptions underlying our decisions to make advances, and in certain situations our contractual obligations may require us to make certain advances for which we may not be reimbursed. A delay in our ability to collect an advance may adversely affect our liquidity, and our inability to be reimbursed for an advance could be detrimental to our business. As our servicing portfolio continues to age, defaults could increase, which may increase our costs of servicing and could be detrimental to our business. Any significant increase in required servicing advances could have a significant adverse impact on our cash flows, even if they are reimbursable, and could also have a detrimental effect on our business and financial condition. Our counterparties may terminate subservicing contracts under which we conduct servicing activities. A substantial portion of the mortgage loans we service are serviced on behalf of Ginnie Mae. With respect to HECM securitized into HMBS, Ginnie Mae requirements prescribe the related base service fee to compensate us for servicing loans as well as the assessment of fines and penalties that may be imposed upon us for failing to meet servicing standards. As is standard in the industry, under the terms of our master servicing agreements with Ginnie Mae, Ginnie Mae has the right to terminate us as servicer of the loans we service on their behalf at any time and also has the right to cause us to transfer the MSR to a third-party. If Ginnie Mae were to terminate us as a servicer, or increase our costs related to such servicing by way of additional fees, fines or penalties, such changes could have a material adverse effect on the revenue we derive from servicing activity, as well as the value of the related MSR. These agreements, and other servicing agreements under which we service mortgage loans for loan purchasers or in connection with securitizations, also require that we service in accordance with certain prescribed servicing guidelines and in some cases contain financial covenants. Failure to satisfy such requirements could result in our termination as servicer under the applicable servicing agreement. If we were to have our servicing or subservicing rights terminated on a material portion of our servicing portfolio, this could adversely affect our business. We operate in a heavily regulated industry, and our loan origination and servicing activities expose us to risks of noncompliance with an increasing and inconsistent body of complex laws and regulations at the U. S. federal, state and local levels. Due to the heavily regulated nature of the financial services industry, we are required to comply with a wide array of U. S. federal, state, and local laws, rules, and regulations that regulate, among other things, the manner in which we conduct our loan origination and servicing business and the fees that we may charge, how we compensate our loan officers, and the collection, use, retention, protection, disclosure, transfer, and other processing of personal information. Governmental authorities and various U. S. federal and state agencies have broad oversight and supervisory and enforcement authority over our business. From time to time, we may also receive requests (including requests in the form of subpoenas and civil investigative demands) from federal, state, and local agencies for records, documents, and information relating to our servicing and lending activities. Ginnie Mae, the United States Department of the Treasury, various investors, securitization trustees, and others also subject us to periodic reviews and audits. These laws, regulations, and oversight can significantly affect the way that we do business, can restrict the scope of our existing business, limit our ability to expand our product offerings or to pursue acquisitions, or can make our costs to service or originate loans higher, which could impact our financial results. Failure to comply with applicable laws and regulatory requirements may result in, among other things, revocation of or inability to renew required licenses or registrations, loss of approval status, termination

of contracts without compensation, administrative enforcement actions and fines, private lawsuits, including those styled as class actions, cease and desist orders, and civil and criminal liability. We must comply with a large number of federal, state, and local consumer protection laws including, among others, TILA, as amended, together with its implementing regulations (Regulation Z), the FDCPA, RESPA, as amended, together with its implementing regulations (Regulation X), ECOA, as amended, together with its implementing regulations (Regulation B), FCRA, as amended, and together with its implementing regulations (Regulation V), the Fair Housing Act, the Telephone Consumer Protection Act, as amended, GLBA, together with its implementing regulations (Regulation P), the Mortgage Advertising Practices Rules (Regulation N), the Electronic Funds Transfer Act, as amended, and together with its implementing regulations (Regulation E), the Servicemembers' Civil Relief Act, as amended, HMDA, together with its implementing regulations (Regulation C), the Secure and Fair Enforcement for Mortgage Licensing Act, as amended, the Federal Trade Commission Act, the Dodd- Frank Act, as amended, together with its implementing regulations, U. S. federal and state laws prohibiting unfair, deceptive, or abusive acts or practices, and state foreclosure laws. We are also subject to the regulatory, supervisory, and examination authority of the CFPB, which has oversight of federal and state non- depository lending and servicing institutions, including reverse mortgage loan originators and loan servicers. The CFPB has rulemaking authority with respect to many of the federal consumer protection laws applicable to mortgage lenders and servicers, including TILA, Section 8 of RESPA, HMDA, ECOA, FCRA, GLBA, and the FDCPA. Antidiscrimination statutes, such as the Fair Housing Act and ECOA, prohibit creditors from discriminating against loan applicants and borrowers based on certain characteristics, such as race, religion, and national origin. Various federal regulatory agencies and departments, including the DOJ and the CFPB, take the position that these laws apply not only to intentional discrimination, but also to neutral practices that have a disparate impact on a group that shares a characteristic that a creditor may not consider in making credit decisions (i. e., creditor or servicing practices that have a disproportionate negative effect on a protected class of individuals). This interpretation may increase the risk of an allegation of noncompliance. These statutes apply to loan origination, servicing practices, marketing, the amount and nature of fees that may be charged for transactions and incentives, such as rebates, use of credit reports, safeguarding of non- public, personally identifiable information about our clients, foreclosure and claims handling, investment of and interest payments on escrow balances and escrow payment features, and required disclosures and notices to clients. RESPA, among other things, prohibits the payment of fees or other things of value in exchange for referrals of real estate settlement services, which would include residential mortgage loans. However, RESPA expressly permits the payment of reasonable value for non- referral services and facilities actually performed and provided. When a lender seeks to rely on this exception, it must be prepared to demonstrate that the services or facilities for which compensation is paid are separate and distinct from any referral and the amount paid is reasonable. If the amount paid exceeds the reasonable value, the excess could be attributable to the referral. The Company, like many originating lenders, uses " marketing services agreements " with sources of potential loan referrals, such as organizations that serve financial professionals. A " marketing services agreement " is an agreement under which a lender compensates a service provider for performing actual marketing services directed to the general public. The Company also has relationships with lead providers and digital consumer review websites and marketing providers, some of which may be considered " digital marketing review platforms " under the CFPB' s February 2023 Advisory Opinion titled " Digital Mortgage Comparison- Shopping Platforms and Related Payments to Operators. " The Company also has relationships with third- party mortgage brokers that place loans with the Company. Further, the Company previously engaged in " desk rental " agreements, which provide for the lease of office space, furniture, and equipment and use of common areas and other services, like utilities, internet, and shared receptionist and janitorial services. In connection with the wind down of FAM, the Company no longer has any desk rental agreements, but could still be subject to an allegation of a RESPA violation related to these past practices. From a RESPA perspective, the analysis focuses on whether the general marketing services are separate and distinct from any referrals that may occur, whether the services actually are being performed or provided, and whether the amounts paid by the lender do not exceed the fair market value for such services. While the Company has controls in place to ensure that its relationships with referral sources comply with RESPA regulations, there can be no assurance that the CFPB or any other governmental entity with authority to enforce RESPA, or a court, will share this view. If the CFPB or a court determined that the Company' s existing program was not in compliance with RESPA regulations, or otherwise asserted a new basis for non- compliance with any similar regulations, it could have a detrimental effect on our reverse mortgage lending business, our financial condition, and results of operation operations. The scope of the laws and regulations and the intensity of the supervision to which our business is subject have increased over time, in response to the financial crisis in 2008 and other factors such as technological and market changes, and may continue to increase in the future. **The Trump administration may implement, including due to enhanced scrutiny resulting from changes in U. S. executive administration or Congressional leadership to reduce the scale of CFPB enforcement efforts and regulatory oversight at the federal level, however, the extent of such changes and their impact on current regulatory processes is uncertain, and states may respond to such changes by enhancing their regulatory oversight efforts.** Regulators continue to be active in the reverse mortgage space, including due to the perceived susceptibility of older borrowers to be influenced by deceptive or misleading marketing activities. Regulators have also focused on appraisal practices because reverse mortgages are largely dependent on collateral valuation. **Additionally, as we develop and / or utilize new technologies and digital capabilities, we may become subject to additional and new laws relating to such activities.** New applicable laws will likely continue to go into effect. Further, the U. S. federal, state, and local laws and regulations that we are subject to are amended from time to time. While we have processes and systems in place to identify and interpret such new or amended laws and regulations and to implement them, we may not identify every application of law, regulation, or ordinance, interpret them accurately, train our employees effectively with respect to these laws and regulations, or supervise our service providers and vendors, including outside foreclosure counsel, adequately with respect to their compliance with these laws and regulations. The complexity and continuously changing nature of these legal requirements increases our exposure to

the risk of noncompliance. These changes also result in an increase in our regulatory compliance burden and associated costs and place restrictions on our origination and servicing operations. The laws and regulations applicable to us are subject to administrative or judicial interpretation, but some laws and regulations may not yet have been interpreted or may be clarified infrequently. Ambiguities in applicable laws and regulations may leave uncertainty with respect to permitted or restricted conduct and may make compliance with laws, and risk assessment decisions with respect to compliance with laws, difficult and uncertain. In addition, ambiguities make it difficult, in certain circumstances, to determine if, and how, compliance violations may be cured. The adoption by industry participants of different interpretations of these statutes and regulations has added uncertainty and complexity to compliance. We may fail to comply with applicable statutes and regulations even if acting in good faith due to a lack of clarity regarding the interpretation of such statutes and regulations, which may, and at times does, lead to regulatory investigations, governmental enforcement actions, or private causes of action with respect to our compliance. Regulatory enforcement and fines have increased across the banking and financial services sector. Regulatory authorities and private plaintiffs may allege that we failed to comply with applicable laws, rules, and regulations where we believe we have complied. We have been, and expect to continue to be, subject to regulatory enforcement actions and private causes of action from time to time with respect to our compliance with applicable laws and regulations. Allegations may relate to past conduct and / or past business operations, such as the prior activity of acquired entities, and certain legislative actions and judicial decisions can give rise to the initiation of lawsuits against us for activities we conducted in the past. Furthermore, provisions in our loan product documentation, including but not limited to the mortgage and promissory notes we use in loan originations, could be challenged in and construed as unenforceable by a court. To resolve issues raised in examinations, investigations, or other governmental actions, we may be required to take various corrective actions, including changing certain business practices, making refunds, or taking other actions that could be financially or competitively detrimental to us. Even unproven allegations that our activities have not complied or do not comply with all applicable laws and regulations may have a material adverse effect on our business, financial condition, and results of operations. See “ — We are subject to legal proceedings, federal or state governmental examinations, and enforcement investigations from time to time. Some of these matters are highly complex and slow to develop, and results are difficult to predict or estimate. ” Our failure to comply with applicable U. S. federal, state, and local consumer protection and data privacy and information security laws could lead to: • reduced payments by clients; • modification of the original terms of loans; • permanent forgiveness of debt owed to us; • delays in the foreclosure process; • increased servicing advance obligations; • loss of our licenses and approvals to engage in our servicing and lending business; • damage to our reputation in the industry and with consumers; • governmental investigations and enforcement actions; • administrative fines and penalties and litigation; • civil and criminal liability, including class action lawsuits; • diminished ability to finance loans that we originate or purchase, requirements to finance such loans at reduced advance rates compared to other financed loans or to remove financed loans from financing facilities; • diminished ability to sell or securitize loans that we originate or purchase, requirements to sell such loans at a discount compared to other loans or to repurchase or address indemnification claims from purchasers of such loans or in connection with securitizations of such loans; • inability to raise capital; and • inability to execute on our business strategy. We are currently subject to, and may in the future become subject to additional, U. S. and state laws and regulations imposing obligations on how we collect, store, process, and share personal information. Our actual or perceived failure to comply with such obligations could harm our business and reputation. Ensuring compliance with such laws could also impair our efforts to maintain and expand our consumer and customer base, and thereby decrease our revenue. We are, and may increasingly become, subject to various laws and regulations, as well as contractual obligations, relating to data privacy and security in the jurisdictions in which we operate. The regulatory environment related to data privacy and security is increasingly rigorous, with new and constantly changing requirements applicable to our business, and enforcement practices are likely to increase but remain uncertain for the foreseeable future. These laws and regulations may be interpreted and applied differently over time and from jurisdiction to jurisdiction, and it is possible that they will be interpreted and applied in ways that may have a material adverse effect on our business, financial condition, results of operations, and prospects. In the U. S., various federal and state regulators, including governmental agencies like the CFPB, the Federal Trade Commission, and the California Privacy Protection Agency, have adopted, or are considering adopting, laws and regulations concerning personal information and data security. Certain state laws may be more stringent or broader in scope, or offer greater individual rights with respect to personal information, than federal or other state laws, and such laws may differ from each other, all of which may complicate compliance efforts. For example, the California Consumer Privacy Act, as amended by the California Privacy Rights Act (“ CCPA ”), both increases privacy rights for California residents and imposes obligations on companies that process and share personal information. Among other things, the CCPA requires covered companies to provide new disclosures to California residents, including consumers, employees, and contractors, provide such individuals new data protection and privacy rights, including the ability to opt- out of the sale of personal information or the sharing of personal information for cross- context behavioral advertising, and create additional requirements to limit the retention of personal information. The CCPA also established the California Privacy Protection Agency, an agency charged with data privacy enforcement and issuing clarifying privacy regulations. The CCPA provides for civil penalties for violations, as well as a private right of action for certain data breaches that result in the loss of personal information. The private right of action may increase the likelihood of, and risks associated with, data breach litigation. In addition, laws in all 50 U. S. states and territories require businesses to provide notice to consumers whose personal information has been disclosed as a result of a data breach. State laws are changing rapidly, including the passage of new privacy laws in **several states** Oregon, Delaware, Texas, Montana, Tennessee and Indiana, and there have been discussions in the U. S. Congress of a comprehensive federal data privacy law to which we would become subject if such a law was enacted. Related laws imposing requirements in areas such as cybersecurity, such as the New York Department of Financial Services’ amendments passed in November 2023 to its cybersecurity requirements for financial services companies, impose further requirements enhancing compliance obligations

with respect to data privacy and security. All of these evolving compliance and operational requirements, as well as changing consumer expectations around privacy, impose significant costs. Such costs include those related to organizational changes, implementing additional protection technologies and processes, training employees, and engaging consultants, which are likely to increase over time. In addition, such requirements are likely to require us to modify our data processing practices and policies, distract management, or divert resources from other initiatives and projects, all of which could have a material adverse effect on our business, financial condition, results of operations, and prospects. Any failure or perceived failure by us to comply with any applicable federal, state, or similar foreign laws and regulations relating to data privacy and security could result in damage to our reputation, as well as regulatory proceedings or litigation by governmental agencies or other third parties, including class action privacy litigation in certain jurisdictions, which would subject us to significant fines, sanctions, awards, penalties, or judgments, all of which could have a material adverse effect on our business, financial condition, and operating results. Because we are not a depository institution, we do not benefit from a federal exemption to state mortgage banking, loan servicing, or debt collection licensing and regulatory requirements. We must comply with state licensing requirements and varying compliance requirements in all 50 states and the District of Columbia, and we are sensitive to regulatory changes that may increase our costs through stricter licensing laws, disclosure laws, or increased fees or that may impose conditions to licensing that we or our personnel are unable to meet. In addition, if we enter new markets, we may be required to comply with new laws, regulations, and licensing requirements. Future state legislation and changes in existing regulation may significantly increase our compliance costs or reduce the amount of ancillary revenues, including late fees that we may charge to borrowers. This could make our business cost-prohibitive in the affected state or states and could materially affect our business. Further, we are subject to periodic examinations by state regulators, which can result in refunds to borrowers of certain fees earned by us, and we may be required to pay substantial penalties imposed by state regulators due to compliance errors. In the past we have been subject to inquiries from, and in certain instances have entered into settlement agreements with, state regulators that had the power to revoke our license or make our continued licensure subject to compliance with a consent order. For example, in 2019, we entered into a settlement agreement with the California Department of Business Oversight relating to findings in supervisory examinations concerning per diem interest charges and escrow trust reconciliations. As part of the settlement, we agreed to pay a penalty and to undertake certain remedial actions and procedures.

States may enhance their regulatory oversight efforts in the future, particularly if the scale of CFPB enforcement efforts and regulatory oversight at the federal level is reduced due to changes implemented by the Trump administration. We and our licensed Subservicers are required to comply with applicable jurisdictional licensing requirements and laws. Licensed entities are required to renew their licenses, typically on an annual basis, and to do so they must satisfy the license requirements of each jurisdiction, which generally include financial requirements such as providing audited financial statements or satisfying minimum net worth requirements and non-financial requirements such as satisfactorily completing examinations as to the licensee's compliance with applicable laws and regulations. Further, we and our licensed Subservicers are subject to periodic examination by state regulatory authorities and we may be subject to various reporting and other requirements to maintain licenses. Most state licensing laws require that before a "change of control" can occur, including in connection with a merger, acquisition, or initial public offering, applicable state banking departments must approve the change. Most of these "change of control" statutes require that, if there is an acquisition, merger, or initial public offering, the acquiring company or companies being merged or going public must notify the state regulatory agency and receive agency approval before the acquisition, merger, or initial public offering is finalized. Applicable state mortgage- or loan-related laws may also impose requirements as to the form and content of contracts and other documentation, licensing of our employees and employee hiring background checks, licensing of independent contractors with which we contract, restrictions on certain practices, disclosure and record-keeping requirements, and enforcement of borrowers' rights. These licensing and other requirements may impact our ability to operate our business and impose compliance costs that may adversely affect our financial performance. We believe that we and our Subservicers maintain all material licenses and permits required for our current operations and are in substantial compliance with all applicable federal, state, and local laws, rules, regulations, and ordinances. However, we and our Subservicers may not be able to maintain all requisite licenses and permits. Further, states may adopt additional, or revise existing, rules and regulations, including the states that currently do not provide extensive regulation of our business, and in such event we may not be able to obtain or maintain all requisite licenses and permits that become required or comply with all new applicable laws, rules, regulations, and ordinances. Our or a Subservicer's failure to satisfy licensing and other regulatory requirements could result in a default under our servicing or other agreements or result in state regulators requiring us to pay substantial penalties or issue borrower refunds or restitution, all of which could have a material adverse effect on our business, financial condition, and results of operations.

Recent events may require us to obtain state licenses for trusts that we form for purposes of securitization and other financing transactions, which were previously not required to obtain state licenses. In 2024, the Maryland Appellate Court in Estate of H. Gregory Brown v. Carrie M. Ward, et al., No. 1009, (App. Ct. Sept. Term 2023) ruled that a statutory trust that held a defaulted home equity line of credit must be licensed as both an installment lender and a mortgage lender under Maryland law prior to proceeding to foreclosure on the home equity line of credit. On January 10, 2025, the Maryland Office of Financial Regulation (the "OFR") issued emergency regulations that apply the decision in Brown to all secondary market assignees of Maryland consumer-purpose mortgage loans, and specifically require "passive trusts" that acquire or take assignment of Maryland mortgage loans that are serviced by others to be licensed. While the emergency regulations became effective immediately, OFR indicated that enforcement would be suspended until April 10, 2025. The emergency regulations will expire on June 16, 2025, and the OFR has submitted the same provisions as the proposed, permanent regulations for public comment. Other state courts and regulators could issue and enforce similar rulings or regulations in the future. If we are required to obtain state licenses for trusts that we form for purposes of securitization and other financing transactions, it would increase our compliance costs and risks associated with

satisfying state licensing and operational requirements described in the above paragraphs. Compliance with federal, state, and local laws and regulations that govern employment practices and working conditions may be particularly burdensome to us due to the distributed nature of our workforce. We have operations across the U. S., with a workforce of ~~745~~ approximately 919 full- time and ~~3-two~~ part- time employees operating in local markets across the U. S. as of December 31, ~~2023-2024~~. In addition to complying with the Fair Labor Standards Act and the Equal Employment Opportunity Act, we are required to comply with similar state laws and regulations in each market where we have employees. Compliance with these laws and regulations requires a significant amount of administrative resources and management attention. Many of these laws and regulations provide for qui tam or similar private rights of action and we are routinely subject to litigation and regulatory proceedings related to these laws and regulations in the ordinary course of our business. For example, we are currently in litigation brought under the California Private Attorneys General Act related to alleged violations of the California Labor Code. Regardless of the outcome or whether the claims are meritorious, we may need to devote substantial time and expense to defend against claims related to the California Private Attorneys General Act or other similar federal, state, and local laws and regulations in the ordinary course of business. Unfavorable rulings could result in adverse impacts on our business, financial condition, or results of operations. Conducting our business in a manner so that we are exempt from registration under, and in compliance with, the Investment Company Act, may reduce our flexibility and could limit our ability to pursue certain opportunities. At the same time, failure to continue to qualify for exemption from the Investment Company Act could adversely affect us. Under the Investment Company Act, an investment company is required to register with the SEC and is subject to extensive restrictive and potentially adverse regulations relating to, among other things, operating methods, management, capital structure, dividends, and transactions with affiliates. We expect that one or more of our subsidiaries will qualify for an exclusion from registration as an investment company under the Investment Company Act pursuant to Section 3 (c) (5) (C) of the Investment Company Act, which is available for entities that do not issue redeemable securities, face- amount certificates of the installment type, or periodic payment plan certificates and are primarily engaged in the business of “ purchasing or otherwise acquiring mortgages and other liens on and interests in real estate. ” We believe that we conduct our operations so that neither we nor any of our subsidiaries are required to register as an investment company under the Investment Company Act. We are organized as a holding company and conduct our businesses primarily through our majority and wholly- owned subsidiaries. We conduct our operations so that we and our subsidiaries do not come within the definition of an investment company. In order to continue to do so, however, we and each of our subsidiaries must either operate so as to fall outside the definition of an investment company under the Investment Company Act or satisfy its own exclusion under the Investment Company Act. For example, to avoid being defined as an investment company, an entity may limit its ownership or holdings of investment securities to less than 40 % of its total assets. In order to satisfy an exclusion from being defined as an investment company, other entities, among other things, maintain at least 55 % of their assets in certain qualifying real estate assets (the “ 55 % Requirement ”) and also maintain an additional 25 % of their assets in such qualifying real estate assets or certain other types of real estate- related assets (the “ 25 % Requirement ”). Rapid changes in the values of assets we own, however, can disrupt prior efforts to conduct our business to meet these requirements and in turn, we may have to make investment decisions that we otherwise would not make absent the Investment Company Act considerations. If we or one of our subsidiaries fell within the definition of an investment company under the Investment Company Act and failed to qualify for an exclusion or exemption, including, for example, if it was required to and failed to meet the 55 % Requirement or the 25 % Requirement, it could, among other things, be required either (i) to change the manner in which it conducts operations to avoid being required to register as an investment company or (ii) to register as an investment company, either of which could adversely affect us by, among other things, requiring us to dispose of certain assets or to change the structure of our business in ways that we may not believe to be in our best interests. Legislative or regulatory changes relating to the Investment Company Act or which affect our efforts to qualify for exclusions or exemptions, including our ability to comply with the 55 % Requirement and the 25 % Requirement, could also result in these adverse effects on us. To the extent that we or any of our subsidiaries rely on Section 3 (c) (5) (C) of the Investment Company Act, we expect to rely on guidance published by the SEC staff or on our analyses of such guidance to determine which assets are qualifying real estate assets for purposes of the 55 % Requirement and real estate related assets for purposes of the 25 % Requirement. However, the SEC’ s guidance was issued in accordance with factual situations that may be different from the factual situations we face, and much of the guidance was issued more than 25 years ago. No assurance can be given that the SEC staff will concur with our classification of our assets. In addition, the SEC staff may, in the future, issue further guidance that may require us to re- classify our assets for purposes of qualifying for an exemption from registration under the Investment Company Act. If we are required to re- classify our assets, we may no longer be in compliance with the exclusion from the definition of an “ investment company ” provided by Section 3 (c) (5) (C) of the Investment Company Act. To the extent that the SEC staff publishes new or different guidance with respect to any assets we have determined to be qualifying real estate assets, we may be required to adjust our strategy accordingly. In addition, we may be limited in our ability to make certain investments, and these limitations could result in a subsidiary holding assets we might wish to sell or selling assets we might wish to hold. As a consequence of our seeking to avoid registration under the Investment Company Act on an ongoing basis, we and / or our subsidiaries may be restricted from making certain investments or may structure investments in a manner that would be less advantageous to us than would be the case in the absence of such requirements. In particular, a change in the value of any of our assets could negatively affect our ability to avoid registration under the Investment Company Act and cause the need for a restructuring of our investment portfolio. For example, these restrictions may limit our and our subsidiaries’ ability to invest directly in mortgage- backed securities that represent less than the entire ownership in a pool of senior loans, debt and equity tranches of securitizations and certain asset- backed securities, non- controlling equity interests in real estate companies, or in assets not related to real estate. In addition, seeking to avoid registration under the Investment Company Act may cause us and / or our subsidiaries to acquire or hold additional assets that we might not otherwise have acquired or held or dispose of

investments that we and / or our subsidiaries might not have otherwise disposed of, which could result in higher costs or lower proceeds to us than we would have paid or received if we were not seeking to comply with such requirements. Thus, avoiding registration under the Investment Company Act may hinder our ability to operate solely on the basis of maximizing profits. There can be no assurance that we and our subsidiaries will be able to successfully avoid operating as an unregistered investment company. If it were established that we were an unregistered investment company, there would be a risk that we would be subject to monetary penalties and injunctive relief in an action brought by the SEC, that we would be unable to enforce contracts with third parties, that third parties could seek to obtain rescission of transactions undertaken during the period it was established that we were an unregistered investment company, and that we would be subject to limitations on corporate leverage that would have an adverse impact on our investment returns. If we were required to register as an investment company under the Investment Company Act, we would become subject to substantial regulation with respect to our capital structure (including our ability to use borrowings), management, operations, transactions with affiliated persons (as defined in the Investment Company Act), and portfolio composition, including disclosure requirements and restrictions with respect to diversification and industry concentration and other matters. Compliance with the Investment Company Act would, accordingly, limit our ability to make certain investments and require us to significantly restructure our business plan, which could materially adversely affect our ability to pay distributions to our stockholders. For additional information, see “ Business — Investment Company Act Considerations. ” The reverse mortgage industry is largely dependent upon the FHA, HUD, and government agencies like Ginnie Mae. There can be no guarantee that HUD / the FHA will retain Congressional authorization to continue the HECM program, which provides FHA government insurance for qualifying HECM, that any or all of these entities will continue to participate in the reverse mortgage industry, or that they will not make material changes to the laws, regulations, rules, or practices applicable to reverse mortgage programs. For example, HUD previously implemented certain lending limits for the HECM program, and added credit- based underwriting criteria designed to assess a borrower’ s ability and willingness to satisfy future tax and insurance obligations. **Further, the Trump administration recently directed a review of funding for thousands of government programs, including several programs administered by HUD, and has more generally indicated an intent to scrutinize and reduce the scale of government agencies, programs, and spending. Changes that may be implemented as a result of the Trump administration’ s initiatives and the resulting impact on the FHA, HUD, Ginnie Mae, and the HECM program remain uncertain.** Changes in the nature or extent of the insurance provided by the FHA in connection with the HECM program could have broad adverse market implications. Additionally, any future increases in the premiums FAR is required to pay to the FHA for upfront and / or annual mortgage insurance would increase insurance premiums for our borrowers and may negatively impact origination volumes. Industry changes of this nature would negatively affect demand for FAR’ s mortgage services and consequently its origination volume, which could be detrimental to our business. In addition, Ginnie Mae’ s participation in the reverse mortgage industry may be subject to economic and political changes that cannot be predicted. If participation by Ginnie Mae in the reverse mortgage market were reduced or eliminated, or its structure were to change (e. g., limitation or removal of the guarantee obligation), our ability to originate HECM and issue HMBS could be adversely affected. These developments could materially and adversely impact our portfolio. We are ~~subject to legal proceedings, federal or state governmental examinations, and enforcement investigations from time to time. Some of these matters are highly complex and slow to develop, and results are difficult to predict or estimate. We are~~ currently and routinely involved in legal proceedings concerning matters that arise in the ordinary course of our business. These actions and proceedings are generally based on alleged violations of consumer protection, employment, foreclosure, contract, tort, fraud, and other laws. Notably, we are subject to the California Labor Code, pursuant to which certain plaintiffs have filed representative actions under the California Private Attorney General Act (the “ PAGA Litigation ”) seeking statutory penalties for alleged violations related to the calculation of overtime pay, errors in wage statements, and meal and rest break violations, among other things. Given our Company’ s transformation into a **unified** modern retirement solutions platform and the related steps that we have taken to streamline our business, integrate acquired operations, and reduce expenses, we are subject to certain legal claims from third parties including transaction counterparties, prior vendors or contract counterparties, and current and former employees, in each case, of the Company (including its discontinued operations) or another transaction counterparty or legacy seller or company. While our Company handles these legal claims in the ordinary course, the volume of claims and the amount of associated expenses, costs, damages, penalties, and fines that we could incur in connection with these claims could have an adverse effect on our financial condition and results of our operations and could cause reputational harm to us or otherwise result in management distraction. The number of legal proceedings we are involved in may increase in the future, including certified class or mass actions. Further, because we originate and service a significant number of HECM insured by the FHA, there is the possibility that we could be subject to litigation brought by HUD pursuant to the False Claims Act. Additionally, along with others in our industry, we are subject to (and many continue to receive in the future) repurchase and indemnification claims regarding, among other things, alleged breaches of representations and warranties relating to the sale of mortgage loans, the placement of mortgage loans into securitization trusts, or the servicing of securitized mortgage loans. We are also subject to legal actions or proceedings resulting from actions alleged to have occurred prior to our acquisition of a company or a business. When the claims occurred as a result of actions taken before the Company purchased the related business, we generally have indemnification claims against the sellers; however, if they do not or cannot pay, we may suffer losses. Certain pending or threatened legal proceedings (including the PAGA Litigation **as well as other employment misclassification cases**) may include claims for substantial compensatory, punitive, and / or statutory damages or claims for an indeterminate amount of damages. Litigation and other proceedings may require that we pay settlement costs, legal fees, damages, including punitive damages, penalties, or other charges, or be subject to injunctive relief affecting our business practices, any or all of which could adversely affect our financial results. Legal proceedings brought under federal or state consumer protection statutes may result in a separate fine for each violation of the statute, which, particularly in the case of representative or class action lawsuits, could

result in damages substantially in excess of the amounts we earned from the underlying activities and that could have a material adverse effect on our liquidity, financial position, and results of operations. Our business is also subject to extensive examinations, investigations, and reviews by various federal, state, and local governmental, regulatory, and enforcement agencies. We have historically had, continue to have, and may in the future have a number of open investigations, subpoenas, examinations, and inquiries by these agencies related to our origination practices, violations of the FHA's requirements, our financial reporting, and other aspects of our businesses-- **business**. These matters may include investigations by, among others, the DOJ, HUD, and various state agencies, which can result in the payment of fines and penalties, changes to business practices, and the entry of consent decrees or settlements. The costs of responding to inquiries, examinations, and investigations can be substantial. ~~On January 9, 2024, we received notice from HUD that FAR failed to timely notify the FHA of operating losses exceeding 20% of FAR's net worth in the second quarter of 2023. FAR was required to provide such notification within 30 business days after the cause for notification occurred but did not provide such notification until after the end of the 30 business day period. FAR provided a response to such notice to HUD, submitting that administrative action or civil money penalties were not warranted due to certain mitigating facts and enhancements made to FAR's monitoring and reporting protocols to prevent a recurrence of this failure. We are awaiting a final determination from HUD as to whether FAR will be subject to an administrative action or civil money penalties as a result of this failure.~~ Responding to examinations, investigations, and reviews by various federal, state, and local governmental, regulatory, and enforcement agencies requires us to devote substantial legal and regulatory resources, resulting in higher costs and lower net cash flows. Adverse results in any of these matters could further increase our operating expenses and reduce our revenues, require us to change business practices, limit our ability to grow, and otherwise materially and adversely affect our business, reputation, financial condition, or results of ~~operation~~ **operations**. To the extent that an examination or other regulatory engagement reveals a failure by us to comply with applicable law, regulations, or licensing requirements, this could lead to (i) loss of our licenses and approvals to engage in our business, (ii) damage to our reputation in the industry and loss of client relationships, (iii) governmental investigations and enforcement actions resulting in administrative fines and penalties, (iv) litigation, (v) civil and criminal liability, including class action lawsuits, and actions to recover incentive and other payments made by governmental entities, (vi) enhanced compliance requirements, (vii) breaches of covenants and representations under our servicing, debt, or other agreements, (viii) inability to raise capital, and (ix) inability to execute on our business strategy. Any of these occurrences could further increase our operating expenses and reduce our revenues, require us to change business practices and procedures, and limit our ability to grow or otherwise materially and adversely affect our business, reputation, financial condition, or results of ~~operation~~ **operations**. Moreover, regulatory changes resulting from the Dodd- Frank Act, ~~and~~ other regulatory changes such as the CFPB's examination and enforcement authority ~~and~~, the "whistleblower" provisions of the Dodd- Frank Act, and guidance on whistleblowing programs issued by the New York State Department of Financial Services could increase the number of legal and regulatory enforcement proceedings against us. The CFPB has broad enforcement powers and has been active in investigations and enforcement actions and, when necessary, has issued civil money penalties to parties the CFPB determines ~~has have~~ violated the laws and regulations it enforces. In addition, while we take numerous steps to prevent and detect employee misconduct, such as fraud, employee misconduct cannot always be deterred or prevented and could subject us to additional liability. We establish reserves for pending or threatened legal proceedings when it is probable that a liability has been incurred and the amount of such loss can be reasonably estimated. Legal proceedings are inherently uncertain, and our estimates of loss are based on judgments and information available at that time. Our estimates may change from time to time for various reasons, including factual or legal developments in these matters. There cannot be any assurance that the ultimate resolution of our litigation and regulatory matters will not involve losses, which may be material, in excess of our recorded accruals or estimates of reasonably probable losses. ~~AAG / Bloom was subject to two separate enforcement matters with the CFPB and the Company agreed to comply with the terms of the related Orders in connection with its acquisition of operational assets from AAG / Bloom. Failure to comply with such Orders would have a detrimental impact on our business, reputation, and financial condition~~. On December 7, 2016, the CFPB took action against three different reverse mortgage lenders, including AAG / Bloom, alleging that they engaged in deceptive advertising practices related to reverse mortgages. The consent order against AAG / Bloom (the "Consent Order") required it to, among other things, pay a civil penalty of \$ 400, 000 and submit to the CFPB, and to follow, a comprehensive compliance plan relating to its advertising practices. On October 8, 2021, the CFPB filed a Complaint and a Proposed Stipulated Final Judgment (the "Judgment," and together with the Consent Order, collectively, the "Orders") against AAG / Bloom in the United States District Court for the Central District of California similarly related to AAG / Bloom's direct mail marketing and advertising practices. In addition to ceasing the alleged violations and requiring AAG / Bloom to provide certain CFPB guidelines to consumers, the Judgment requires AAG / Bloom to pay \$ 173, 400 in consumer redress and a civil money penalty of \$ 1, 100, 000. AAG / Bloom is required to submit to the CFPB, and to follow, a comprehensive compliance plan related to its reverse mortgage advertising practices, and to submit a compliance progress report to the CFPB every year for five years after the effective date, and to be subject to compliance monitoring by the CFPB. In connection with the closing of the Company's acquisition of operational assets of AAG / Bloom, the Company agreed to comply with the terms of these Orders, and is therefore obligated to comply therewith for five years from the date specified in each Order. There can be no guarantee that the Company will maintain sufficient compliance with such Orders going forward, or that the CFPB will not find the Company in violation of the Orders and their related requirements or other applicable consumer protection laws. In the CFPB's Fall 2022 Supervisory Highlights, the CFPB indicated that its supervisory division had created a Repeat Offender Unit to increase its focus on repeat offenders who violate agency or court orders. ~~It has also proposed creating~~ **In 2024, the CFPB created** a repository to track and mitigate risks posed by repeat offenders. ~~If implemented, requiring~~ nonbank financial companies ~~would be required~~ to register with the CFPB when they become subject to certain local, state, or federal consumer financial protection agency or court orders. On February 27, 2023 the CFPB entered into a consent order

ordering a mortgage lender to discontinue operations after it engaged in marketing practices in violation of a prior consent order. If the Company is found to have violated the Orders or to have engaged in other deceptive marketing practices, such regulatory violations could have a detrimental impact on our ability to operate our business, our reputation, and our financial condition. Our substantial leverage could adversely affect our financial condition, our ability to raise additional capital to fund our operations, our ability to operate our business, our ability to react to changes in the economy or our industry, or our ability to pay our debts, and could divert our cash flow from operations to debt payments. As of December 31, 2023-2024, we had approximately \$ 26-28 . 6-7 billion in total indebtedness outstanding, approximately \$ 8-9 . 8-9 billion of which was senior secured indebtedness under our warehouse facilities, securities repurchase lines, and lines of credit, and approximately \$ 410 374 . 9-5 million of which was corporate indebtedness, consisting of \$ 282. 1 million of senior secured notes, net of unamortized debt discount and issuance costs, \$ 85. 0 million of working capital notes, and \$ 7. 4 million of senior unsecured notes. As of December 31, 2023-2024, we also had approximately \$ 17-18 . 4 billion of HMBS related obligations that are recorded on our balance sheet. We also have other significant contractual obligations, including our obligations to make payments under the Tax Receivable Agreements (the “ Tax Receivable Agreements ” or “ TRA ”) entered into by the Company and certain owners of FoA-FoA Equity (the “ TRA Parties ”). Our high level of debt could have important consequences, including the following: • making it more difficult for us to satisfy our obligations with respect to our debt; • limiting our ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions, or other general corporate requirements; • requiring a substantial portion of our cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions, and other general corporate purposes; • increasing our vulnerability to general adverse economic and industry conditions; • exposing us to the risk of increased interest rates as certain of our borrowings are at variable rates of interest; • limiting our flexibility in planning for and reacting to changes in the industry in which we compete; • placing us at a disadvantage compared to other, less leveraged competitors; and • increasing our cost of borrowing. **As of December 31,2023,our variable rate indebtedness used the Secured Overnight Financing Rate (“ SOFR ”) or the Bloomberg Short- Term Bank Yield Index (“ BSBY ”) as a benchmark for establishing the interest rate.The London Inter- Bank Offered Rate (“ LIBOR ”) was previously the benchmark rate used for our variable rate indebtedness.LIBOR had been the subject of national,international and regulatory guidance and proposals for reform,which culminated with the United Kingdom’ s Financial Conduct Authority,which regulated LIBOR,ceasing publication of U.S.dollar LIBOR rates as of June 30,2023.In connection with the phase- out of LIBOR,we amended our variable rate financing arrangements to replace LIBOR with SOFR or BSBY as the benchmark rate.At this time,it is not possible to predict the full effect that the discontinuance of LIBOR,or the establishment of alternative reference rates such as SOFR and BSBY,will have on us or our borrowing costs.SOFR and BSBY are relatively new reference rates and their composition and characteristics are not the same as LIBOR.Given the limited history of SOFR and BSBY and potential volatility as compared to other benchmark or market rates,the future performance of SOFR and BSBY cannot be predicted based on historical performance.The consequences of the transition from LIBOR to SOFR and BSBY could include an increase in the cost of our variable rate indebtedness.** Our ability to service our indebtedness is dependent on cash flow generated and made available by our subsidiaries,which may be subject to limitations beyond our control.The Company is a holding company,and its consolidated assets are owned by,and its business is conducted through,its subsidiaries.Accordingly,our ability to make scheduled payments on and to refinance our indebtedness is dependent on the generation of cash flow by our subsidiaries and their ability to make such cash available to the applicable entity required to make an applicable debt service payment.Our subsidiaries’ ability to generate cash flow is subject to their financial and operating performance,which in turn is affected by general and regional economic,financial,competitive,business, and other factors,many of which are beyond our control,including the availability of financing in the international banking and capital markets. **For example,one of the strategies that our Company utilizes to repay and service its debt is to monetize equity in its outstanding securitizations of non- agency reverse mortgage loans.This strategy entails exercising optional redemption rights in connection with outstanding securitization transactions backed by non- agency reverse mortgage loans and reissuing MBS backed by such non- agency reverse mortgage loans (along with available newly originated non- agency reverse mortgage loans).The success of any such securitization transaction is highly dependent on the condition of the securitization markets and,in particular,the MBS market.No assurance can be given as to whether any such transaction can be executed as contemplated by the Company.Further,lower Lower revenues generally will reduce available cash flow.We cannot assure you that our subsidiaries will generate sufficient cash flow from operations or that future borrowings will be available to us in an amount sufficient to enable us to service our debt, including the senior unsecured notes, to refinance our debt, or to fund our other liquidity needs.Further,even if a subsidiary does generate cash flow,our ability to use such cash to service our indebtedness depends on their ability to make such cash available to the applicable entity required to make an applicable debt service payment.Each subsidiary is a distinct legal entity and under certain circumstances may not be able to,or may not be permitted due to legal or contractual restrictions to,make distributions or repay intercompany loans to enable the applicable entity in our corporate structure to make payments in respect of its indebtedness.For example,laws that require companies to maintain minimum amounts of capital and to make payments to shareholders only from profits may restrict the ability of a subsidiary to make a distribution,even if such subsidiary has cash.In the event that a subsidiary is unable to distribute cash,we may be unable to make required principal and interest payments on our indebtedness. See “ —Risks Related to Our Organizational Structure — The Company is a holding company and its only material asset is its interest in FoA-FoA Equity.It is accordingly dependent upon distributions from FoA-FoA Equity to pay taxes,make payments under the Tax Receivable Agreements, and pay dividends.” If we are unable to meet our debt service obligations or to fund our other liquidity needs,we will need to restructure or refinance all or a portion of our debt,which could cause us to default on our debt obligations and impair our liquidity.Our ability to restructure or refinance our debt will depend on the condition of the capital markets and**

our financial condition at such time. Any refinancing of our indebtedness could be at higher interest rates and may require us to comply with more onerous covenants that could further restrict our business operations. Moreover, in the event of a default, the holders of our indebtedness could elect to declare all the funds borrowed to be due and payable. See “ — Our failure to comply with the requirements of our outstanding indebtedness could result in an event of default that could materially and adversely affect our financial condition and ultimately force us into liquidation or bankruptcy.”

FOA Equity has two amended and restated revolving working capital promissory notes outstanding, one with BTO Urban Holdings L.L.C. and one with Libman Family Holdings, LLC (the “ Working Capital Promissory Notes ”). As of December 31, 2024, the aggregate principal amount outstanding pursuant to the Working Capital Promissory Notes was \$ 85.0 million. The Working Capital Promissory Notes accrue interest at a rate of 15.0 % per annum and mature on May 25, 2025. Further, the Company’s subsidiary, FOAF, has senior unsecured notes outstanding (the “ 2025 Unsecured Notes ”). As of December 31, 2024, the aggregate principal amount outstanding pursuant to the 2025 Unsecured Notes was \$ 7,378.

Despite our current level of indebtedness, we may be able to incur substantially more debt and enter into other transactions, which could further exacerbate the risks to our financial condition described above. As of December 31, 2023-2024, we had unused total borrowing capacity of approximately \$ 0. 6-7 billion under our warehouse facilities, securities repurchase lines, and lines of credit, all of which would be secured indebtedness, including approximately \$ 0. 2 billion of unused committed borrowing capacity, pursuant to which we would be able to incur additional indebtedness. Further, subject to the limits contained in the agreements that govern our warehouse facilities and lines of credit, the indenture-indentures that governs-govern the senior-Senior Secured Notes, the Exchangeable Secured Notes, and the 2025 unsecured-Unsecured notes-Notes, and the applicable agreements governing our other existing indebtedness, we may be able to enter into additional arrangements and incur substantial additional debt from time to time to finance working capital, capital expenditures, investments or acquisitions, or for other purposes. Although certain of the agreements governing our existing indebtedness contain restrictions on the incurrence of additional indebtedness and entering into certain types of other transactions, these restrictions are subject to a number of qualifications and exceptions. Additional indebtedness incurred in compliance with these restrictions could be substantial. These restrictions also do not prevent us from incurring obligations, such as trade payables, that do not constitute indebtedness as defined under our debt instruments. To the extent new debt is added to our current debt levels, the substantial leverage risks described in “ — Our substantial leverage could adversely affect our financial condition, our ability to raise additional capital to fund our operations, our ability to operate our business, our ability to react to changes in the immediately preceding risk factor economy or our industry, or our ability to pay our debts, and could divert our cash flow from operations to debt payments ” would increase. The agreements that govern our senior notes, warehouse facilities and lines of credit impose significant operating and financial restrictions on the Company and its restricted subsidiaries, which may prevent us from capitalizing on business opportunities. The agreements that govern our senior notes, warehouse facilities and lines of credit impose significant operating and financial restrictions on us. These restrictions in the applicable indenture or related loan agreement will limit the ability of the Company and its restricted subsidiaries to, among other things: • incur or guarantee additional debt or issue disqualified stock or preferred stock; • pay dividends and make other distributions on, or redeem or repurchase, capital stock; • make certain investments; • incur certain liens; • enter into transactions with affiliates; • merge or consolidate; • enter into agreements that prohibit the ability of restricted subsidiaries to make dividends or other payments to the Company or other subsidiaries; • designate restricted subsidiaries as unrestricted subsidiaries; • prepay, redeem, or repurchase certain indebtedness; and • transfer or sell assets. The terms of any future indebtedness we may incur could include more restrictive covenants. As a result of the restrictions described above and any additional restrictions imposed by future indebtedness we may incur, we will be limited as to how we conduct our business and we may be unable to raise additional debt or equity financing to compete effectively or to take advantage of new business opportunities, which could in turn adversely affect our business, financial condition, and operating results. Additionally, if we failed to comply with these restrictions, an event of default could occur and the holders of our indebtedness could elect to declare all the funds borrowed to be due and payable. See “ — Our failure to comply with the requirements of our outstanding indebtedness could result in an event of default that could materially and adversely affect our financial condition and ultimately force us into liquidation or bankruptcy.”

The agreements that govern our warehouse facilities and lines of credit typically contain, and we expect that other financing facilities that we may enter into in the future will typically contain, covenants that, among other things, impose requirements relating to minimum tangible or adjusted tangible net worth, maximum leverage ratio of total liabilities (which may include off-balance sheet liabilities) or indebtedness to tangible or adjusted tangible net worth, minimum liquidity or minimum liquid assets, and minimum net income or pre- tax net income. As a result of adverse market conditions, such as higher inflation and higher interests rates, resulting in lower origination volume, as well as costs of operations and fair value related accounting adjustments, we experienced difficulties complying with one certain of such financial covenants- covenant relating to net income with respect to the fourth fiscal quarter of 2024 and ultimately were required to seek-obtain a waivers-waiver with respect to or amendments in anticipation of potential violations of one or more of such financial covenants- covenant for in each of the fourth fiscal quarters of 2023. As of December 31, 2023 and as of the end of each applicable fiscal quarter, the Company of 2024. We have also at times had difficulties complying with certain financial covenants in years prior to 2024 and have had to obtained-- obtain waivers or amendments to the terms of the affected covenants. In Alternatively, in a few instances, we our Company elected to terminate the related applicable financing arrangement rather than transactions in accordance with their terms in lieu of seeking an waivers or amendments- amendment or waiver, in particular in connection with financings of FAM, due to the discontinuation and wind-down of the traditional mortgage lending segment, the commercial lending segment, and the home improvement lending business operated by FAM. In connection with certain waivers or amendments, the Company agreed to certain required amortization covenants in order to secure waivers. While we were have been able to secure amendments or waivers with respect to, or to terminate, all affected lending arrangements, there is no assurance that our

lenders would provide waivers for or agree to amendments to address any future difficulties we encounter in complying with our financial covenants. Further, we may have to agree to ~~amortization or~~ other covenants in connection with securing waivers or amendments in the future. ~~These risks may be increased in light of the disruption in the reverse mortgage market (and the related secondary markets) due to the Chapter 11 bankruptcy filing of RMF and the resulting increased lender focus on liquidity and funding capacity of reverse mortgage companies, in particular, as they relate to HMBS HECM buyout repurchase requirements.~~ If we were to experience difficulties in complying with financial covenants in the future and we were not able to secure a waiver or amendment or terminate the applicable financing arrangement, we could breach such a financial covenant and an event of default could occur. Upon the occurrence and during the continuance of an event of default, the holders of our indebtedness could elect to declare all the funds borrowed to be due and payable. See “ — Our failure to comply with the requirements of our outstanding indebtedness could result in an event of default that could materially and adversely affect our financial condition and ultimately force us into liquidation or bankruptcy. ” Our variable rate indebtedness subjects us to interest rate risk, which could cause our indebtedness service obligations to increase significantly. As of December 31, 2023-2024, \$ 16 17. 5 billion, or 61 approximately 62%, of our outstanding indebtedness had variable interest rates. When interest rates increase, our debt service obligations on this variable rate indebtedness increase, even though the amount borrowed remains the same, and our net income and cash flows, including cash available for servicing our indebtedness, correspondingly decreases. Interest rates have increased in the near term, causing our indebtedness service obligations on our variable rate indebtedness to increase. Interest rates may increase above current levels in the future, further increasing our debt service obligations on our variable rate indebtedness and adversely impacting our net income and cash flows, including cash available for servicing our indebtedness. ~~As of December 31, 2023,..... us into liquidation or bankruptcy. ”~~ If we are unable to comply with the restrictions or the financial or other covenants contained in any of the agreements relating to our outstanding indebtedness obligations or are unable to make the payments required under any of our outstanding indebtedness obligations, it could result in an event of default under the agreements relating to the applicable indebtedness. If an event of default were to occur and be continuing, the holders of the defaulted debt could cause all amounts outstanding with respect to that debt to be due and payable immediately. By reason of cross- acceleration or cross- default provisions, other indebtedness may then become immediately due and payable. Such an acceleration could materially and adversely affect our financial condition and we cannot assure you that our assets or cash flows would be sufficient to fully repay borrowings under our outstanding debt instruments if accelerated upon an event of default. Further, if we are unable to repay, refinance, or restructure our indebtedness under our secured debt upon an event of default, including our warehouse facilities or, lines of credit, or senior secured notes, the holders of such debt could elect to terminate their commitments thereunder, cease making loans, and institute foreclosure proceedings against our assets. As a result of such events, we could ultimately be forced into bankruptcy or liquidation. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations– Liquidity and Capital Resources ” for a discussion regarding our liquidity risk and management’s plans to meet our liquidity needs in order for us to meet our obligations when they become due for the twelve- month period from the date of the issuance of the consolidated financial statements. The Company’s subsidiary, FOAF, issued our \$ 350 million senior notes that are due in November 2025 (the “HYD Notes ”). Our ability to repay and /or refinance the HYD Notes generally requires access to capital. The availability of capital from the high- yield debt markets is subject to significant volatility, and there may be times when we are not able to access those markets at attractive rates, or at all. Our access to additional third- party sources of capital and /or financing at the time of repayment or refinancing of our HYD Notes will depend, in part, on: • general market conditions; • the market’s perception of our growth potential • our current debt levels; • our current and expected future earnings; • our cash flow; and • the market price per share of our common stock. Further, restrictions on our future debt agreements could limit our growth and our ability to engage in certain activities. See “ — The agreements that govern our senior notes, warehouse facilities and lines of credit impose significant operating and financial restrictions on the Company and its restricted subsidiaries, which may prevent us from capitalizing on business opportunities. ” The Company is a holding company and it has no material assets other than its direct and / or indirect ownership of Class A LLC Units. The Company has no independent means of generating revenue. The Company intends to cause FoA-FOA Equity to make distributions to the holders of Class A LLC Units, including the Company, in an amount sufficient to cover all applicable taxes at assumed tax rates, payments under the Tax Receivable Agreements, and dividends, if any, declared by the Company. Deterioration in the financial condition, earnings, or cash flow of FoA-FOA Equity and its subsidiaries for any reason could limit or impair FoA-FOA Equity’s ability to make such distributions. In addition, FoA-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-FOA Equity (with certain exceptions) exceed the fair value of its assets. Subsidiaries of FoA-FOA Equity are generally subject to similar legal limitations on their ability to make distributions to FoA-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-FOA Equity’s ability to make distributions to the Company. To the extent that the Company needs funds and FoA-FOA Equity is unable to make distributions to the Company due to its financial condition, restrictions under applicable law or regulation, restrictions under the terms of our financing arrangements, or for any other reason, such inability to make distributions could materially adversely affect our liquidity, financial condition, and ability to pay dividends to shareholders. The Company will be required to pay income taxes on its allocable share of any net taxable income of FoA-FOA Equity. FoA-FOA Equity is, and it is anticipated that FoA-FOA Equity will continue to be, treated as a partnership for U. S. federal income tax purposes. As such, FoA-FOA Equity will generally not be subject to any entity- level U. S. federal income tax. Instead, taxable income or loss will be allocated to holders of Class A LLC Units, including the Company. Accordingly, we will be required to pay income taxes on our allocable share of any net taxable income (offset by any allowable prior period taxable losses) of FoA-FOA Equity. Our The income taxes on our allocable share of FoA-FOA Equity’s net taxable income or loss will increase over time as the FoA-FOA Equity unitholders exchange their Class A LLC Units for shares

of the Company's Class A Common Stock. In addition, ~~legislation that is effective for taxable years beginning after December 31, 2017 may impute~~ additional tax liability **may be imputed** for adjustments to a partnership's tax return to the partnership itself in certain circumstances, absent an election to the contrary. ~~FOA~~ **FOA** Equity may be subject to material additional tax liabilities pursuant to this legislation and related guidance if, for example, its calculations of taxable income are incorrect. Any such additional tax liabilities would be allocated to holders of Class A LLC Units, including the Company. The Company is required to make payments under the Tax Receivable Agreements for certain tax benefits the Company may claim, and the amounts of such payments could be significant. The Company entered into the Tax Receivable Agreements with the TRA Parties. The Tax Receivable Agreements generally provide for the payment by the Company to the TRA Parties of 85 % of the cash tax benefits, if any, that the Company is deemed to realize (calculated using certain simplifying assumptions) as a result of (i) tax basis adjustments as a result of sales and exchanges of Class A LLC Units and certain distributions with respect to Class A LLC Units, (ii) the Company's utilization of certain tax attributes attributable to Blackstone Tactical Opportunities Associates – NQ L. L. C., a Delaware limited partnership, shareholders, and (iii) certain other tax benefits related to entering into the Tax Receivable Agreements, including tax benefits attributable to making payments under the Tax Receivable Agreements. The Company will generally retain the benefit of the remaining 15 % of these cash tax benefits. Estimating the amount of payments that may be made under the Tax Receivable Agreements is by its nature imprecise, insofar as the calculation of amounts payable depends on a variety of factors. The anticipated tax basis adjustments, as well as the amount and timing of any payments under the Tax Receivable Agreements, will vary depending upon a number of factors, including the timing of exchanges, the price of shares of the Company's Class A Common Stock at the time of the exchanges, the extent to which such exchanges are taxable, the amount of tax attributes, changes in tax rates, and the amount and timing of the Company's income. As a result of the size of the anticipated tax basis adjustment of the tangible and intangible assets of ~~FOA~~ **FOA** Equity and the Company's possible utilization of certain tax attributes, the payments that the Company may make under the Tax Receivable Agreements are expected to be substantial. In certain cases, payments under the Tax Receivable Agreements may be accelerated and / or significantly exceed the actual benefits, if any, the Company realizes in respect of the tax attributes subject to the Tax Receivable Agreements. The Tax Receivable Agreements provide that if the Company exercises its right to terminate the Tax Receivable Agreements or if a change in control of the Company or a material breach of the Company's obligations under either Tax Receivable Agreement occurs, all obligations under the Tax Receivable Agreements will be accelerated. The amount due and payable in those circumstances is determined based on certain assumptions, including an assumption that any Class A LLC Units that have not been exchanged are deemed exchanged for the market value of Class A Common Stock at the time of the termination or the change of control and an assumption that the Company would have sufficient taxable income to fully utilize all potential future tax benefits that are subject to the Tax Receivable Agreements. As a result of these assumptions, the Company would be required to make a cash payment equal to the present value of the anticipated future tax benefits that are the subject of the Tax Receivable Agreements. This could in turn result in (i) the Company being required to make cash payments to the TRA Parties that are greater than the specified percentage of the actual benefits the Company ultimately realizes in respect of the tax benefits that are subject to the Tax Receivable Agreements, and (ii) the Company being required to make payments in respect of tax benefits significantly in advance of the actual realization, if any, of such tax benefits. In these situations, the Company's obligations under the Tax Receivable Agreements could have a substantial negative impact on its liquidity and could have the effect of delaying, deferring, or preventing certain mergers, asset sales, other forms of business combination, or other changes of control due to the additional transaction costs a potential acquirer may attribute to satisfying such obligations. The Company may need to incur additional debt to finance payments under the Tax Receivable Agreements to the extent its cash resources are insufficient to meet its obligations under the Tax Receivable Agreements as a result of timing discrepancies or otherwise. There can be no assurance that the Company will be able to finance its obligations under the Tax Receivable Agreements. The Company will not be reimbursed for any payments made to the TRA Parties under the Tax Receivable Agreements in the event that any tax benefits are disallowed. The U. S. federal income tax rules applicable to the Company are complex and factual in nature. There can be no assurance that the Internal Revenue Service or a court will agree with the Company's tax reporting positions. As a result, it is possible that the Company could make cash payments under the Tax Receivable Agreements that are substantially greater than its actual cash tax savings. The Company will not be reimbursed for any cash payments previously made to the TRA Parties pursuant to the Tax Receivable Agreements if any tax benefits initially claimed by the Company are subsequently challenged by a taxing authority and are ultimately disallowed. Instead, any excess cash payments made by the Company to a TRA Party will be netted against any future cash payments that the Company might otherwise be required to make under the terms of the Tax Receivable Agreements. However, a challenge to any tax benefits initially claimed by the Company may not arise for a number of years following the initial time of such payment or, even if challenged early, such excess cash payment may be greater than the amount of future cash payments that the Company might otherwise be required to make under the terms of the Tax Receivable Agreements. As a result, there might not be sufficient future cash payments due from the Company to the TRA Parties under the Tax Receivable Agreements that the Company can net against to fully account for earlier payments made to the TRA Parties under the Tax Receivable Agreements in respect of tax benefits that were ultimately disallowed. Certain of the TRA Parties have substantial control over the Company, and their interests, along with the interests of other TRA Parties, may conflict with your interests. The TRA Parties may receive payments from the Company under the Tax Receivable Agreements upon any redemption or exchange of their Class A LLC Units, including the issuance of shares of Class A Common Stock upon any such redemption or exchange. As a result, the interests of the TRA Parties may conflict with the interests of holders of Class A Common Stock. For example, the TRA Parties may have different tax positions from the Company, which could influence their decisions regarding whether and when to dispose of assets, whether and when to incur new or refinance existing indebtedness, especially in light of the existence of the Tax Receivable Agreements, and whether and when the Company should terminate the Tax Receivable Agreements and

accelerate its obligations thereunder. In addition, the structuring of future transactions may take into consideration tax or other considerations of TRA Parties even in situations where no similar considerations are relevant to the Company. The Company is not required to distribute any excess tax distributions that it receives from FoA-FOA Equity to the Company's stockholders. Under the terms of the Amended and Restated Limited Liability Company Agreement of FoA-FOA Equity (the "A & R LLC Agreement"), FoA-FOA Equity is obligated to make tax distributions to holders of Class A LLC Units (including the Company) at certain assumed tax rates. These tax distributions may in certain periods exceed the Company's tax liabilities and obligations to make payments under the Tax Receivable Agreements. The Board of Directors of the Company (the "Board"), in its sole discretion, will make any determination from time to time with respect to the use of any such excess cash so accumulated, which may include, among other uses, acquiring additional newly issued Class A LLC Units from FoA-FOA Equity at a per unit price determined by reference to the market value of the Class A Common Stock; paying dividends, which may include special dividends, on its Class A Common Stock; funding repurchases of Class A Common Stock; or any combination of the foregoing. The Company will have no obligation to distribute such cash (or other available cash other than any declared dividend) to its stockholders. To the extent that the Company does not distribute such excess cash as dividends on its Class A Common Stock or otherwise undertake ameliorative actions between Class A LLC Units and shares of Class A Common Stock and instead, for example, hold such cash balances, the FoA-FOA Equity unitholders may benefit from any value attributable to such cash balances as a result of their ownership of Class A Common Stock following a redemption or exchange of their Class A LLC Units, notwithstanding that the FoA-FOA Equity unitholders may previously have participated as holders of Class A LLC Units in distributions by FoA-FOA Equity that resulted in such excess cash balances at the Company.

Risks Related to Ownership of our Class A Common Stock and Warrants We have received notice from NYSE that our Class A Common Stock is at risk of being delisted from the exchange unless certain conditions are satisfied. There can be no assurance that we will be able to satisfy the specified conditions or, even if we are able to satisfy such conditions, that we will otherwise be able to comply with the continued listing standards of NYSE that are required to be satisfied in order for our Class A Common Stock to continue to be listed on NYSE. The NYSE imposes requirements that must be complied with in order for securities a company's shares to remain listed on the NYSE. In order for our Class A Common Stock to continue to be listed on NYSE, we will need to comply with these requirements, some of which are not completely within the Company's control. Notably, On December 12, 2023, we received a notice of non-compliance with the NYSE's continued listing standards with respect require that the average closing price of a security is not less than \$ 1.00 over a consecutive 30 trading-day period. If the average closing price of a security is less than \$ 1.00 over a consecutive 30 trading-day period, then NYSE provides for a six-month cure period to our Class A Common Stock because regain compliance. On February 12, 2024, we received notice from NYSE that as of February 9, 2024 the average closing price of our Class A Common Stock had been below \$ 1.00 for a consecutive 30 trading-day period. We were able to regain compliance as of December 29, 2023, but on February 12, 2024, we were therefore not in received another notice of non-compliance with the NYSE's continued listing standards of NYSE. The notice has no immediate effect with respect to our Class A Common Stock, again based on the listing average closing price of the our Class A Common Stock. We effected a 1- for- 10 reverse stock split of our Class A Common Stock on NYSE July 25, 2024 subject to our compliance with NYSE's other continued listing requirements. Furthermore, the notice is not anticipated to impact our ongoing business operations or our reporting requirements with the SEC. We are considering all available options to regain compliance with within NYSE's continues listing standards during the required timeframe for six-month cure period and intend to regain compliance and remain listed on NYSE. However, it is possible that we will not be able to regain compliance during the six-month cure period and that our Class A Common Stock to remain will then be delisted -- listed on the NYSE. We have not subsequently received any further notices of noncompliance from the NYSE with respect to. Further, after regaining compliance, it is possible that we could subsequently become out of compliance due the share price of our Class A Common Stock and receive a similar notice from NYSE again in the future. It However, it is also possible that we may not be able to comply with other of the continued listing standards of the NYSE for our Class A Common Stock in the future. Any such instance of noncompliance may result in the receipt of additional notices of noncompliance from the NYSE and ultimately in our Class A Common Stock being delisted. The receipt of a notice of noncompliance from the NYSE can have adverse consequences for the Company, even if the Company is able to regain compliance and avoid delisting. Receipt of such a notice can have an adverse impact on investor sentiment and in turn result in a decrease in the share price of our Class A Common Stock. Further, receipt of such a notice can have an adverse impact on the sentiment of our debt investors and warehouse lenders and in turn make it more difficult to obtain and maintain these relationships in the future. Further, if the NYSE delists the Company's Class A Common Stock from trading on its exchange for failure to meet the listing standards, the Company and its shareholders could face significant material adverse consequences including: • a limited availability of market quotations for our securities; • reduced liquidity for our securities; • a determination that shares of the Class A Common Stock are a "penny stock" which will require brokers trading in the Class A Common Stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities; • a limited amount of news and analyst coverage; and • a decreased ability to issue additional securities or obtain additional financing in the future. Because we have no current plans to pay cash dividends on our shares of Class A Common Stock for the foreseeable future, you may not receive any return on investment unless you sell your shares of Class A Common Stock for a price greater than that which you paid for it. We expect to retain future earnings, if any, for future operations, expansion, and debt repayment and have no current plans to pay any cash dividends for the foreseeable future. Any decision to declare and pay dividends in the future will be made at the discretion of our Board and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions, and other factors that our Board may deem relevant. In addition, our ability to pay dividends may be limited by covenants of any existing and future outstanding indebtedness we or our subsidiaries incur. As a result, our stockholders may not receive any return on an investment in our shares of Class A Common Stock unless

they sell our shares of Class A Common Stock for a price greater than that which they paid for it. The market price of our securities may fluctuate or decline. Fluctuations in the price of the Company's securities could contribute to the loss of all or part of your investment. The trading price of our securities could be volatile and subject to wide fluctuations in response to various factors, some of which are beyond our control. In 2022 and, 2023, and the first half of 2024, our stock price has generally experienced significant decline as a result of challenging macroeconomic conditions and sustained higher inflation and interest rates. **While our stock price increased in the second half of 2024,** ~~Continued-continued~~ economic uncertainty, including, without limitation, sustained higher inflation and interest rates, and any of the factors listed below could have a material adverse effect on your investment in our securities and our securities may trade at prices significantly below the price you paid for them. In such circumstances, the trading price of our securities may not recover and may experience a further decline. Factors affecting the trading price of our securities may include, but are not limited to, the following: ~~• if our Class A Common Stock is delisted by NYSE;~~ • actual or anticipated fluctuations in our quarterly financial results or the quarterly financial results of companies perceived to be similar to us; • changes in the market's expectations about our operating results; • sustained increases in market interest rates that may lead purchasers of our shares to demand higher yield; • success of competitors; • our operating results failing to meet the expectation of securities analysts or investors in a particular period; • changes in financial estimates and recommendations by securities analysts concerning the Company or the reverse mortgage industry or mortgage industry in general; • a ratings action by a rating agency with respect to our Company; • operating and share price performance of other companies that investors deem comparable to us; • our ability to market new and enhanced products on a timely basis; • changes in laws and regulations affecting our business; • our ability to meet compliance requirements; • commencement of, or involvement in, litigation involving us; • changes in our capital structure, such as future issuances of securities or the incurrence of additional debt; • the volume of shares of Class A Common Stock available for public sale; • any major change in our Board or management; • sales of substantial amounts of Class A Common Stock by our directors, executive officers, or significant shareholders, or the perception that such sales could occur; and • general economic and political conditions such as recessions, interest rate changes, continued inflation, and acts of war or terrorism. Broad market and industry factors may materially harm the market price of our securities irrespective of our operating performance. The stock market in general, and the NYSE in particular, has experienced price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the particular companies affected. The trading prices and valuations of these stocks, and of our securities, may not be predictable. A loss of investor confidence in the market for retail stocks or the stocks of other companies which that investors perceive to be similar to us could depress our stock price regardless of our business, prospects, financial condition, or results of operations. A decline in the market price of our securities also could adversely affect our ability to issue additional securities and our ability to obtain additional financing in the future. There may be sales of a substantial amount of Class A Common Stock by certain of the Company's shareholders and these sales could cause the price of the Company's securities to fall. Pursuant to the Registration Rights Agreement, certain shareholders were entitled to demand that the Company register the resale of their securities subject to certain minimum requirements. These shareholders also have certain "piggyback" registration rights with respect to previously filed registration statements. On June 9, 2022, our post-effective amendment No. 1 on Form S-1 to Form S-3 was declared effective by the SEC (the "Registration Statement"). Further, on August 18, 2023, we filed a registration statement on Form S-3 relating to the registration for offer and sale of the up to ~~33-3, 893-389, 666-366~~ shares of Class A Common Stock exchangeable by AAG / Bloom pursuant to the Exchange Agreement (such registration statement, the "AAG / Bloom Registration Statement" and together with) **(which number reflects the Registration Statement 10: 1 reverse splits of Class A Common Stock and Class A LLC Units, the "Registration Statements" each effective on July 25, 2024)**. The AAG / Bloom Registration Statement was declared effective by the SEC on September 1, 2023. **Additionally, on October 31, 2024, FOAF issued \$ 146, 793, 000 of 10. 000 % Exchangeable Senior Secured Notes due 2029 (the "Exchangeable Secured Notes"). The Exchangeable Secured Notes are exchangeable into shares of 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, and is subject to adjustment as provided in the related indenture. The Company has agreed that within the 180 day period following October 31, 2024, it will file a shelf registration statement with the SEC to register the resale of Class A Common Stock deliverable upon exchange of the Exchangeable Secured Notes (the "Exchangeable Secured Note Registration Statement" and together with the Registration Statement and the AAG / Bloom Registration Statement, the "Registration Statements").** Under the Registration Statements, such applicable parties may sell large amounts of our Class A Common Stock in the open market or in privately negotiated transactions. Such sales could have the effect of increasing the volatility in the share price of our Class A Common Stock or putting significant downward pressure on the price of our Class A Common Stock. Sales of substantial amounts of our Class A Common Stock in the public market, or the perception that such sales will occur, could adversely affect the market price of our Class A Common Stock and make it difficult for us to raise funds through securities offerings in the future. The trading history of our common stock has been characterized by low trading volume. Our Class A Common Stock started trading on the NYSE on April 5, 2021. During ~~2023-2024~~, the average daily trading volume of our Class A Common Stock was ~~43 approximately 224, 196-022~~ shares. We cannot predict the extent to which investor interest in us will lead to a more active trading market in our securities or how much more liquid these markets might become. A public trading market having the desired characteristics of depth, liquidity, and orderliness depends upon the presence in the marketplace of willing buyers and sellers of our securities at any given time, which presence is dependent upon the individual decisions of investors, over which we have no control. ~~However, our receipt of a notice of noncompliance from NYSE may adversely impact investor sentiment and result in decreased trading volume of our Class A Common Stock and, if our Class A Common Stock is ultimately delisted by NYSE, it would likely have the effect of decreasing the trading volume of our Class A Common Stock. See "We have received notice from~~

NYSE that our Class A Common Stock is at risk of being delisted from the exchange unless certain conditions are satisfied. There can be no assurance that we will be able to satisfy the specified conditions or, even if we are able to satisfy such conditions, that we will otherwise be able to comply with the continued listing standards of NYSE for our Class A Common Stock.” Our low trading volume could result in increased share price volatility, downward pricing pressure, and inability to sell your shares at desired price levels, if at all. If securities or industry analysts do not publish or cease publishing research or reports about the Company, its business, or its market, or if they change their recommendations regarding the Company’s securities adversely, the price and trading volume of the Company’s securities could decline. The trading market for the Company’s securities will be influenced by the research and reports that industry or securities analysts may publish about the Company, its business, market, or competitors. A limited number of Securities securities and industry analysts do not currently, and may never (particularly if our Class A Common Stock is delisted), publish research on the Company. If no securities or industry analysts commence coverage of the Company, the Company’s share price and trading volume would likely be negatively impacted. If any of the analysts who may cover the Company change their recommendation regarding the Company’s securities adversely, or provide more favorable relative recommendations about the Company’s competitors, the price of the Company’s securities would likely decline. If any analyst who may cover covers the Company were to cease coverage of the Company or fail to regularly publish reports on it, the Company could lose visibility in the financial markets, which in turn could cause its share price or trading volume to decline. Our Warrants may have an adverse effect on the market price of our Class A Common Stock. We have issued warrants to purchase 14,375,000 shares of our Class A Common Stock (“Warrants”). To the extent such Warrants are exercised, additional shares of our Class A Common Stock will be issued, which will result in dilution to our shareholders and an increase in the number of shares of Class A Common Stock eligible for resale in the public market. Sales of substantial numbers of such shares in the public market or the fact that such Warrants may be exercised could adversely affect the market price of our Class A Common Stock. We may redeem unexpired Warrants prior to their exercise at a time that is disadvantageous to our Warrant holders, thereby making such Warrants worthless. We have the ability to redeem outstanding Warrants at any time after they become exercisable and prior to their expiration, at a price of \$0.01 per Warrant; provided that the last reported sales price of our Class A Common Stock equals or exceeds \$18.00 per share (as adjusted for share splits, share dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30 trading day period ending on the third trading day prior to the date we send the notice of such redemption to the Warrant holders. If and when the Warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. Redemption of the outstanding Warrants could force our Warrant holders (i) to exercise Warrants and pay the exercise price at a time when it may be disadvantageous to do so, (ii) to sell Warrants at the then-current market price when they might otherwise wish to hold their Warrants or (iii) to accept the nominal redemption price which, at the time the outstanding Warrants are called for redemption, is likely to be substantially less than the market value of the Warrants. In addition, we may redeem Warrants after they become exercisable for a number of shares of Class A Common Stock determined based on the redemption date and the fair market value of our Class A Common Stock. Any such redemption may have similar consequences to a cash redemption described above. In addition, such redemption may occur at a time when the Warrants are “out-of-the-money,” in which case our Warrant holders would lose any potential embedded value from a subsequent increase in the value of the Class A Common Stock had the Warrants remained outstanding. The Company’s management has limited experience in operating a public company. Certain of the Company’s executive officers and directors have limited experience in the management of a publicly-traded company. The Company’s management team may not successfully or effectively manage its transition to operating a public company subject to complex laws, significant regulatory oversight and reporting obligations under federal securities laws. Their limited experience in operating a public company could be a significant disadvantage in that that may need to devote more of their time to activities associated with navigating these complex laws and obligations to which public companies are subject, resulting in less time being devoted to the management and growth of the Company. The Company incurs significant increased expenses and administrative burdens as a public company, which could have a material adverse effect on our business, financial condition, and results of operations. The Company faces legal, accounting, administrative, and other costs and expenses as a public company. The Sarbanes- Oxley Act, including the requirements of Section 404, as well as rules and regulations subsequently implemented by the SEC, the Dodd- Frank Act and the rules and regulations promulgated and to be promulgated thereunder, the Public Company Accounting Oversight Board, and the securities exchanges, impose additional reporting and other obligations on public companies. Compliance with public company requirements increases costs is costly, and makes certain activities more time-consuming. For example, the Company has adopted corporate governance requirements and best practices as well as internal controls and disclosure controls and procedures, all of which have expenses associated with them. In addition, additional expenses associated with SEC reporting requirements are incurred in the ordinary course of business. Furthermore, if any issues in complying with those requirements are identified (for example, if the Company’s auditors identify a material weakness or significant deficiency in the Company’s internal controls over financial reporting), the Company could incur additional costs rectifying those issues, and the existence of those issues could adversely affect the Company’s reputation or investor perceptions of it. It may also be more expensive to obtain director and officer liability insurance. Risks associated with the Company’s status as a public company may make it more difficult to attract and retain qualified persons to serve on the Board or as executive officers. The additional reporting and other obligations imposed by these rules and regulations will increase result in legal and financial compliance costs and the costs of associated with related legal, accounting, and administrative activities. These increased costs require the Company to divert a significant amount of money that could otherwise be used to expand the business and achieve strategic objectives. Advocacy efforts by shareholders and third parties may also prompt additional changes in governance and reporting requirements, which could further increase costs. As a public company, we are required to comply with the SEC’s rules implementing Sections 302 and 404 of the Sarbanes- Oxley Act,

which require management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of internal controls over financial reporting. To continue to comply with such requirements, we may need to undertake various actions from time to time, such as implementing additional internal controls and procedures and hiring additional accounting or internal audit staff. Management may not be able to effectively continue to implement and maintain controls and procedures that adequately respond to the regulatory compliance and reporting requirements that are applicable to the Company. If management is not able to do so, it may not be able to assess whether the Company's internal controls over financial reporting are effective, which may subject the Company to adverse regulatory consequences and could harm investor confidence and the market price of our securities. **In addition Because the Company is a non-accelerated filer**, our independent registered public accounting firm is **not** required to issue a report on the effectiveness of our internal controls over financial reporting **-In pursuant to Section 404 (b) of the future Sarbanes-Oxley Act. If we do not obtain such a report from our independent registered public accounting firm, it may impact the Company's ability to identify internal controls in need of improvement. If we do obtain such a report from our independent registered public accounting firm**, our independent registered public accounting firm may issue a report that is adverse in the event that it is not satisfied with the level at which the controls of the Company are documented, designed, or operating. If we experience material weaknesses or deficiencies in the future or otherwise fail to maintain an effective system of internal controls, we may not be able to accurately or timely report our financial results, in which case our business may be harmed, investors may lose confidence in the accuracy and completeness of our financial reports, and the price of our securities may decline. A material weakness is a deficiency, or a combination of deficiencies, in internal controls over financial reporting such that a reasonable possibility exists that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. The identification of any new material weaknesses in the future could limit our ability to prevent or detect a misstatement of our accounts or disclosures and could result in a material misstatement of our annual or interim financial statements. In such case, we may be unable to maintain compliance with securities law requirements regarding timely filing of periodic reports in addition to applicable stock exchange listing requirements, investors may lose confidence in our financial reporting, and the price of our securities may decline as a result. The Company is a "controlled company" within the meaning of **the** NYSE rules and, as a result, qualifies for exemptions from certain corporate governance requirements. The stockholders of the Company do not have the same protections afforded to stockholders of companies that are subject to such requirements. The Company's principal stockholders are parties to a stockholders agreement (the "Stockholders Agreement") and as of December 31, ~~2023~~ **2024**, beneficially owned ~~67~~ **approximately 70.86** % of the combined voting power of the Company's Class A Common Stock and Class B Common Stock, par value \$ 0.0001 per share ("Class B Common Stock"). As a result, the Company is a "controlled company" within the meaning of **the** NYSE corporate governance standards. Under these corporate governance standards, a company of which more than 50 % of the voting power in the election of directors is held by an individual, group, or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements. For example, controlled companies: • are not required to have a board of directors that is composed of a majority of "independent directors," as defined under **the** NYSE rules; • are not required to have a compensation committee that is composed entirely of independent directors; and • are not required to have director nominations be made, or recommended to the full board of directors, by its independent directors or by a nominations committee that is composed entirely of independent directors. Accordingly, **to the extent we choose to rely on these corporate governance exemptions**, the stockholders of the Company will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of **the** NYSE. The principal stockholders control the Company and their interests may conflict with the Company's or yours in the future. As of December 31, ~~2023~~ **2024**, principal stockholders beneficially owned ~~67~~ **approximately 70.86** % of the combined voting power of the Company's Class A Common Stock and Class B Common Stock. Moreover, the Company agreed to nominate to our Board individuals designated by the principal stockholders in accordance with the Stockholders Agreement. The principal stockholders retain the right to designate directors subject to the maintenance of certain ownership requirements in us. Even when the principal stockholders cease to own shares of Company stock representing a majority of the total voting power, for so long as the principal stockholders continue to own a significant percentage of the Company's stock, they will still be able to significantly influence or effectively control the composition of the Board and the approval of actions requiring stockholder approval through their voting power. Accordingly, for such period of time, the principal stockholders will have significant influence with respect to the Company's management, business plans, and policies, including the appointment and removal of the Company's officers. In particular, for so long as the principal stockholders continue to own a significant percentage of the Company's stock, the principal stockholders will be able to cause or prevent a change of control of the Company or a change in the composition of the Board and could preclude any unsolicited acquisition of the Company. The concentration of ownership could deprive you of an opportunity to receive a premium for your shares of Class A Common Stock as part of a sale of the Company and ultimately might affect the market price of the Class A Common Stock. As of December 31, ~~2023~~ **2024**, the principal stockholders owned ~~49~~ **approximately 51.95** % of the Class A LLC Units. Because they hold ownership interests directly in ~~FOA-FOA~~, the principal stockholders may have conflicting interests with holders of shares of the Class A Common Stock. For example, if ~~FOA-FOA~~ makes distributions to the Company, the principal stockholders will also be entitled to receive such distributions pro rata in accordance with the percentages of their respective membership interests in ~~FOA-FOA~~ and their preferences as to the timing and amount of any such distributions may differ from those of the Company's public stockholders. The principal stockholders may also have different tax positions from us which could influence their decisions regarding whether and when to dispose of assets, especially in light of the existence of the Tax Receivable Agreements, whether and when to incur new or refinance existing indebtedness, and whether and when the Company should terminate the Tax Receivable Agreements and accelerate its obligations thereunder. In addition, the structuring of future transactions may take into consideration the principal stockholders' tax or other considerations even where no similar

benefit would accrue to the Company. The A & R Charter does not limit the ability of the principal stockholders to compete with the Company and they may have investments in businesses whose interests conflict with the Company. The principal stockholders and their respective affiliates engage in a broad spectrum of activities, including investments in businesses that may compete with the Company. In the ordinary course of their business activities, the principal stockholders and their respective affiliates may engage in activities where their interests conflict with the Company's interests or those of its stockholders. The Amended and Restated Certificate of Incorporation of the Company (the "A & R Charter") provides that none of the principal stockholders or any of their respective affiliates or any of the Company's directors who are not employed by the Company (including any non-employee director who serves as one of the Company's officers in both his or her director and officer capacities) or his or her affiliates have any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which the Company operates. The principal stockholders and their respective affiliates also may pursue acquisition opportunities that may be complementary to the Company's business, and, as a result, those acquisition opportunities may not be available to the Company. In addition, the principal stockholders may have an interest in the Company pursuing acquisitions, divestitures, and other transactions that, in their judgment, could enhance their investment, even though such transactions might involve risks to the Company and its stockholders. Anti-takeover provisions under Delaware law could make an acquisition of the Company, which may be beneficial to the Company's stockholders, more difficult and may prevent attempts by the Company's stockholders to replace or remove the Company's management. The A & R Charter and the Amended and Restated Bylaws of the Company (the "A & R Bylaws") contain provisions that may make the merger or acquisition of the Company more difficult without the approval of the Board. Among other things, these provisions:

- provide that subject to the rights of the holders of any preferred stock and the rights granted pursuant to the Stockholders Agreement, vacancies and newly created directorships may be filled only by the remaining directors at any time the principal stockholders beneficially own less than 30% of the total voting power of all then outstanding shares of the Company's capital stock entitled to vote generally in the election of directors;
- allow the Company to authorize the issuance of shares of one or more series of preferred stock, including in connection with a stockholder rights plan, financing transactions, or otherwise, the terms of which series may be established and the shares of which may be issued without stockholder approval, and which may include super voting, special approval, dividend, or other rights or preferences superior to the rights of the holders of common stock;
- prohibit stockholder action by written consent from and after the date on which the principal stockholders beneficially own at least 30% of the total voting power of all then outstanding shares of the Company's capital stock entitled to vote generally in the election of directors unless such action is recommended by all directors then in office;
- provide for certain limitations on convening special stockholder meetings; and
- establish advance notice requirements for nominations for elections to our Board or for proposing matters that can be acted upon by stockholders at stockholder meetings.

Further, as a Delaware corporation, the Company is also subject to provisions of Delaware law, which may impede or discourage a takeover attempt that the Company's stockholders may find beneficial. These anti-takeover provisions and other provisions under Delaware law may discourage, delay, or prevent a transaction involving a change in control of the Company, including actions that the Company's stockholders may deem advantageous, or negatively affect the trading price of the Class A Common Stock. These provisions may also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and to cause the Company to take other corporate actions you desire. For further discussion of these and other such anti-takeover provisions, see the section titled "Description of Securities — Certain Anti-Takeover Provisions of Our A & R Charter and A & R Bylaws." The A & R Charter designates the Court of Chancery of the State of Delaware or the federal district courts of the ~~United States of America~~ **U. S.**, as applicable, as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by the Company's stockholders, which could limit the Company's stockholders' ability to obtain a favorable judicial forum for disputes with the Company or the Company's directors, officers, or other employees. The A & R Charter provides that, unless the Company consents to the selection of an alternative forum, the Court of Chancery of the State of Delaware will, to the fullest extent permitted by law, be the sole and exclusive forum for: (i) any derivative action or proceeding brought on our behalf; (ii) any action asserting a breach of fiduciary duty owed by any current or former director, officer, stockholder, or employee of the Company to the Company or its stockholders; (iii) any action asserting a claim against the Company arising under the Delaware General Corporation Law (the "DGCL"), the A & R Charter, or the A & R Bylaws (together, the "Organizational Documents") or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware; or (iv) any action asserting a claim against the Company that is governed by the internal affairs doctrine. The A & R Charter further provides that, unless the Company consents in writing to the selection of an alternative forum, to the fullest extent permitted by law, the federal district courts of the ~~United States of America~~ **U. S.** will be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the federal securities laws of the ~~United States~~ **U. S.**, including the Securities Act and the Exchange Act and, in each case, the applicable rules and regulations promulgated thereunder. Any person or entity purchasing or otherwise acquiring any interest in any shares of the Company's capital stock shall be deemed to have notice of and to have consented to the forum provision in the A & R Charter. This choice-of-forum provision may limit a stockholder's ability to bring a claim in a different judicial forum, including one that it may find favorable or convenient for a specified class of disputes with the Company or the Company's directors, officers, other stockholders, or employees, which may discourage such lawsuits. Alternatively, if a court were to find this provision of the A & R Charter inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, the Company may incur additional costs associated with resolving such matters in other jurisdictions, which could materially and adversely affect the Company's business, financial condition, and results of operations and result in a diversion of the time and resources of the Company's management and Board. You may be diluted by the future issuance of additional Class A Common Stock or Class A LLC Units in connection with the Company's incentive plans, acquisitions, **warrants**, or otherwise. As of December 31, ~~2023~~ **2024**, the Company has ~~4~~ **had 425, 850** ~~258, 500~~ shares of Class A Common Stock issued

and invested and 5, 899-989, 400-639, 759-701 shares of Class A Common Stock authorized but unissued, including ~~121-~~ 12, 277-016, 826-628 shares of Class A Common Stock issuable upon exchange of Class A LLC Units that are held by FOA the FOA-Equity unitholders (other than AAG / Bloom and the Company), ~~11-1~~, 692-875, 990-140 shares of Class A Common Stock issuable upon exchange of Class A LLC Units that are held by AAG / Bloom, ~~14-714~~, 226-200, 676 shares of Class A Common Stock issuable upon exchange of Class A LLC Units that are potentially issuable to AAG / Bloom in connection with our acquisition of operational assets from AAG / Bloom and ~~14-~~ 375-5, 337, 928 shares of Class A Common Stock issuable upon exchange of Exchangeable Secured Notes, 720, 000 shares of Class A Common Stock issuable upon exchange of Class A LLC Units that are issuable upon exercise of options granted to certain of the Company's executive officers, 1, 298, 877 shares of Class A Common Stock issuable upon settlement of outstanding Non- LTIP Restricted Stock Units (" Non- LTIP RSUs "), 899, 995 shares of Class A Common Stock issuable upon the occurrence of the First Earnout Achievement Date (or upon exchange of Class A LLC Units that are issuable upon the occurrence of the First Earnout Achievement Date) (72, 900 of which would be exchanged to fund the settlement of the Earnout Right Restricted Stock Units (" Earnout Right RSUs ") that vest on the First Earnout Achievement Date), 899, 995 shares of Class A Common Stock issuable upon the occurrence of the Second Earnout Achievement Date (or upon exchange of Class A LLC Units that are issuable upon the occurrence of the Second Earnout Achievement Date) (72, 900 of which would be exchanged to fund the settlement of the Earnout Right RSUs that vest on the Second Earnout Achievement Date), and 1, 437, 500 shares of Class A Common Stock issuable upon exercise of the certain Warrants-warrants. The A & R Charter authorizes the Company to issue these shares of Class A Common Stock and options, rights, warrants, and appreciation rights relating to Class A Common Stock for the consideration and on the terms and conditions established by the Board in its sole discretion, whether in connection with acquisitions or otherwise. Similarly, the A & R LLC Agreement permits FOA-FOA Equity to issue an unlimited number of additional limited liability company interests of FOA-FOA Equity with designations, preferences, rights, powers, and duties that are different from, and may be senior to, those applicable to the Class A LLC Units, and which may be exchangeable for shares of Class A Common Stock. Additionally Further, as of December 31, 2023-2024, the Company has reserved an aggregate of ~~20-1~~, 659-198, 781-726 additional shares of Class A Common Stock and Class A LLC Units for issuance under the Finance of America Companies Inc. 2021 Omnibus Incentive Plan (excluding the reserve for the options and the Non- LTIP RSUs described earlier in this paragraph). Any Class A Common Stock that the Company issues, including under the Finance of America Companies Inc. 2021 Omnibus Incentive Plan or other equity incentive plans that we may adopt in the future, would dilute the percentage ownership held by the investors who own shares of Class A Common Stock. The Company may issue preferred stock whose terms could materially adversely affect the voting power or value of its Class A Common Stock. The A & R Charter authorizes the Company to issue, without the approval of its stockholders, one or more classes or series of preferred stock having such designations, preferences, limitations, and relative rights, including preferences over the Company's Class A Common Stock respecting dividends and distributions, as the Board may determine. The terms of one or more classes or series of preferred stock could adversely impact the voting power or value of the Class A Common Stock. For example, the Company might grant holders of preferred stock the right to elect some number of the Company's directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences the Company might assign to holders of preferred stock could affect the residual value of the Class A Common Stock.