

Finance of America to Acquire Assets of Reverse Mortgage Lender AAG

12.07.22



Simpson Thacher is representing Finance of America Companies Inc. (NYSE: FOA) (“FOA”) in connection with its acquisition of assets of American Advisors Group (“AAG”), a leading direct-to-consumer reverse mortgage lender, in exchange for a combination of cash and equity. The transaction is expected to close in the first half of 2023, subject to customary closing conditions and regulatory approvals.

In support of this transaction, existing stockholders of FOA, including entities affiliated with Brian L. Libman, the Company’s chairman and founder, have committed to invest an additional \$30 million of capital into the Company through a private placement of FOA’s common stock. The investment is conditioned upon customary closing conditions, including the closing of the AAG transaction.

FOA is a specialty finance consumer lending platform that provides pathways to achieve greater financial freedom through home equity. Through FOA’s subsidiaries, customers have access to a diverse range of flexible, end-to-end home financing and home equity solutions including home improvement loans and reverse mortgages as well as loans to residential real estate investors distributed across retail, third-party network, and digital channels.

The Simpson Thacher team includes Michael Chao and Beini Chen (M&A); Will Golden and Jon Ozner (Capital Markets); Catherine Burns (Credit); Charles Mathes and Arielle Katzman (Public Company Advisory Practice); Gregory Grogan, Laura Gallo, Ryan Kenny and Sara Mazurek (Executive Compensation and Employee Benefits); Jon Goldstein, Sophie Staples and Eli Shalam (Tax); Lori Lesser, Rachelle Broida and Mark Natividad (Intellectual Property); Peter Guryan, Richard Jamgochian, Kelly Karapetyan and Max Fischer-Zernin (Antitrust).

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