

September 3, 2019

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T R U S T**

## **Redwood Trust Announces Proposed Public Offering Of Common Stock**

MILL VALLEY, Calif., Sept. 3, 2019 /PRNewswire/ -- Redwood Trust, Inc. ("Redwood") (NYSE: RWT) today announced that it intends to offer 11,000,000 shares of its common stock in an underwritten public offering. Redwood expects to grant the underwriters a 30-day option to purchase up to an additional 1,650,000 shares of its common stock in the offering. All of the shares of common stock will be offered and sold by Redwood. The offering is subject to market and other conditions, and there can be no assurance as to whether or when the offering may be completed, or as to the actual size or terms of the offering.

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Redwood intends to use the net proceeds from this offering to fund its business and investment activity, which may include funding pending or recently completed investment transactions (including, for example, funding the remainder of the purchase price for subordinate securities backed by a pool of reperforming and non-performing residential mortgage loans, and funding capital calls on a multifamily whole loan investment fund). In addition, Redwood may use a portion of the net proceeds from this offering to fund new investment opportunities in portfolios of residential, multifamily, or business purpose residential loans or securities, to make other portfolio investments, to fund its mortgage banking business, and to repay its \$201 million principal amount of exchangeable senior notes maturing in November 2019, and for general corporate purposes. Pending such uses, Redwood may use all or a portion of the net proceeds from this offering to temporarily reduce borrowings under its short-term residential or business purpose loan warehouse facilities and its short-term real estate securities repurchase facilities and Redwood may subsequently re-borrow amounts under such facilities to fund the activity described above.

J.P. Morgan, Wells Fargo Securities, LLC, Goldman Sachs & Co. LLC and Credit Suisse Securities (USA) LLC are acting as joint book-running managers for the proposed offering.

JMP Securities LLC and Keefe, Bruyette & Woods, Inc. are acting as co-managers for the proposed offering.

The public offering will be made pursuant to an automatic shelf registration statement on Form S-3 that was filed by Redwood with the Securities and Exchange Commission ("SEC") and became effective on May 9, 2019. A preliminary prospectus supplement and accompanying prospectus relating to and describing the terms of the offering will be filed with the SEC and will be available on the SEC's website at [www.sec.gov](http://www.sec.gov). When available, copies of the preliminary prospectus supplement and accompanying prospectus may be obtained by contacting: J.P. Morgan c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, New York 11717 or by calling 1-866-803-9204; Wells Fargo Securities, LLC c/o Equity Syndicate Department, 375 Park Avenue, 4th Floor, New York, New York 10152 or by calling 1-800-326-5897 or by emailing [cmclientsupport@wellsfargo.com](mailto:cmclientsupport@wellsfargo.com); Goldman Sachs & Co. LLC, Attention: Prospectus Department, 200 West Street, New York, NY 10282 or by calling 1-866-471-2526 or by emailing [prospectus-ny@ny.email.gs.com](mailto:prospectus-ny@ny.email.gs.com); or Credit Suisse Securities (USA) LLC, Attn: Prospectus Department, Eleven Madison Avenue, 3rd Floor, New York, New York 10010 or by calling 1-800-221-1037 or by emailing [usa.prospectus@credit-suisse.com](mailto:usa.prospectus@credit-suisse.com).

This announcement shall not constitute an offer to sell or a solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

Redwood is a publicly traded company structured as a real estate investment trust.


*CAUTIONARY STATEMENT: This press release contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, such as statements related to the offering and the expected use of the net proceeds. Forward-looking statements involve numerous risks and uncertainties. Redwood's actual results may differ materially from those projected, and Redwood cautions investors not to place undue reliance on the forward-looking statements contained in this release. Forward-looking statements are not historical in nature and can be identified by words such as "anticipate," "estimate," "will," "should," "expect," "believe," "intend," "seek," "plan," and similar expressions or their negative forms, or by references to strategy, plans, or intentions. These forward-looking statements are subject to risks and uncertainties, including, among other things, those described in Redwood's preliminary prospectus supplement dated September 3, 2019, the accompanying prospectus dated May 9, 2019, and the documents incorporated in the prospectus supplement and the prospectus by reference. Redwood undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.*

## **CONTACT**

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