
Q3 2026 Redwood Review
November 3, 2026
REDWOODTRUST.COM
REDWOOD TRUST

Cautionary Statement/ Forward-Looking Statements

This presentation contains forward-looking statements, including statements regarding our 2026 and 2027 forward outlook and strategic priorities, key drivers to increase earnings, book value, mortgage banking volumes and market share and statements regarding our plan to transition to a taxable C-corporation in 2027 and the expected benefits associated with such transition, including an estimated $0.73 - $0.77 increase in GAAP book value per share expected in the fourth quarter of 2026, $70 - $75 million in incremental cash retained annually from the projected common stock dividend reset, statements regarding reducing our tax liability on future operating earnings, including $20 - $25 million in illustrative annual cash tax savings, and statements regarding our ability to reduce our cost of capital over time, including $9 million potential annual savings per 100bps reduction in unsecured borrowing costs, and our planned preferred stock exchange offer and reverse stock split.

Forward-looking statements involve numerous risks and uncertainties. Our actual results may differ from our beliefs, expectations, estimates, and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. 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, opportunities, or intentions.

These forward-looking statements are subject to risks and uncertainties, including, among other things, those described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025 and any subsequent Quarterly Reports on Form 10-K, Form 10-Q and Form 8-K under the caption “Risk Factors.”

Other risks, uncertainties, and factors that could cause actual results to differ materially from those projected may be described from time to time in reports the Company files with the Securities and Exchange Commission, including Current Reports on Form 8-K.

Additionally, this presentation contains estimates and information concerning our industry, including market size and growth rates of the markets in which we participate, that are based on industry publications and reports. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates.

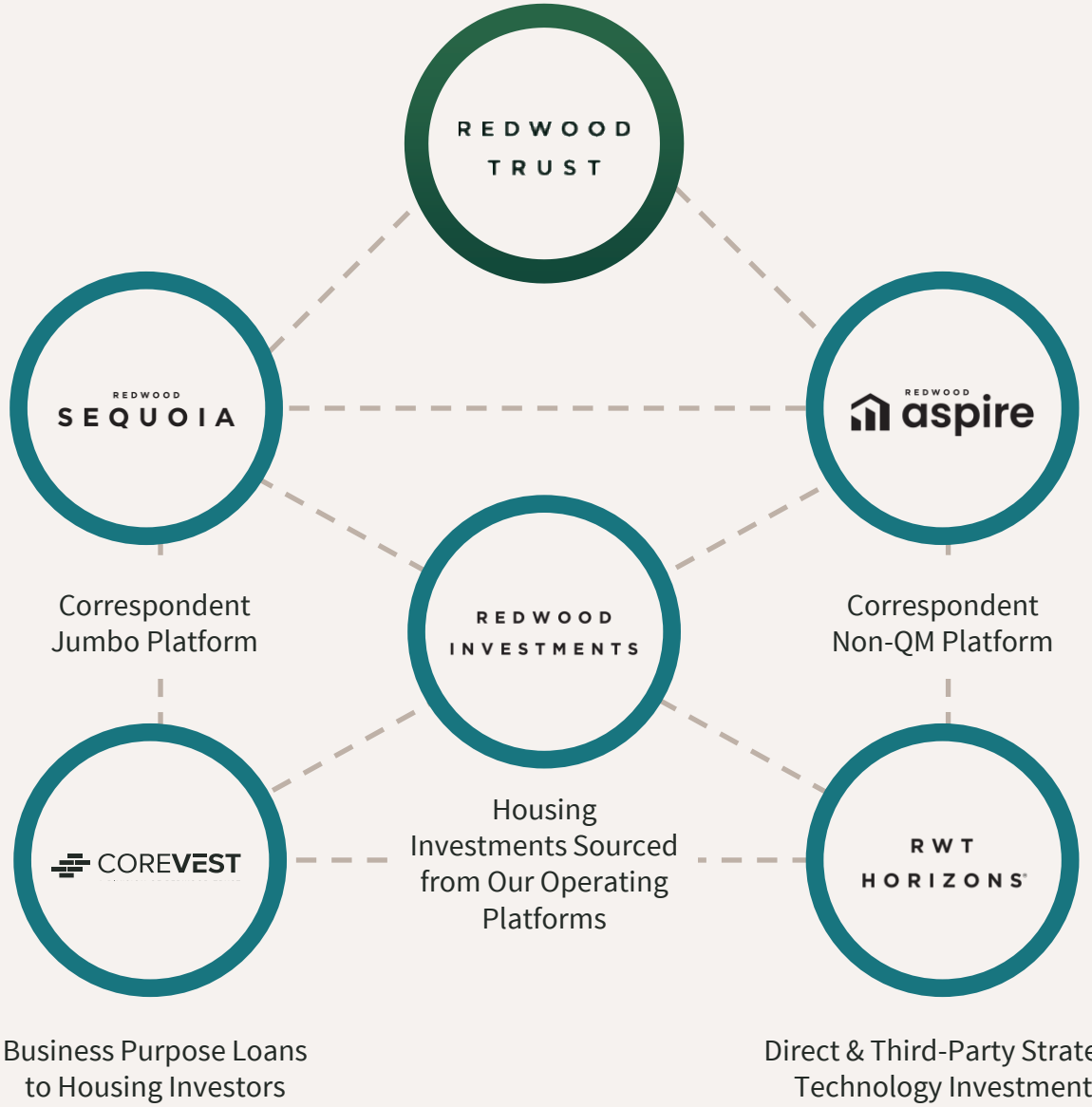
We have not independently verified the accuracy or completeness of the data contained in these industry publications and reports. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those referred to above, that could cause results to differ materially from those expressed in these publications and reports.

Redwood’s plan to transition to a taxable C-corporation in 2027 and the expected $0.73 - $0.77 per share increase in GAAP book value in the fourth quarter of 2026 associated with such transition, Redwood’s Q4 2026 business priorities, including expected resolutions in the Legacy Investment segment during the fourth quarter and reductions in the associated earnings and financing burden beginning in Q1 2027, prioritization of opportunistic repurchases of unsecured debt at attractive discounts, and a return to organic book value growth beginning in Q1 2027, and the expected timing for the filing of Redwood’s Quarterly Report on Form 10-Q.

INTRODUCTION

Redwood Trust is the Leading Non-Agency Real Estate Platform

Through our operating businesses and related investments, we provide liquidity to parts of the housing market not well-served by government programs



Redwood Connects Housing Finance with the Broader Capital Markets

Banks

Top Partner to ~70% of the top 100 banks(1)

Non-Banks

~170 independent mortgage bank relationships

Customers

~8K borrower relationships (CoreVest)

~$180B
Loan Purchases*

~$27B
Direct Originations*



Capital markets

220+ Securitizations Issued*

Private markets

~$42B Loans sold to financial institutions*

~$4B Loans sold to JV partners*

* All stats represent lifetime to date numbers. B indicates dollars in billions.
Detailed Endnotes are included at the end of this presentation.

Planned Transition to a C-Corporation

An Evolution to Support Our Next Phase of Growth

Today’s announcements advance our next chapter and build on our ongoing strategic transition

CORPORATE STRUCTURE

Planned Transition to a C-Corporation

Align our structure with our mortgage banking business model and enhance long-term value

CAPITAL ALLOCATION

Planned Preferred Stock Exchange Offer

Provide income-oriented shareholders an alternative investment option



NOL Rights Plan
Protect tax assets

Reverse Stock Split
Broaden investor appeal

“There may be a day when we outgrow our REIT structure” —
Chris Abate, Redwood Trust CEO; Investor Day remarks, March 2024

“Today’s announcement marks a new chapter for Redwood” —
Chris Abate, Redwood Trust CEO; Earnings remarks, November 2026

A Strategic Transition is the Next Logical Step in Value Creation for Shareholders

After 32 years as a REIT, Redwood is entering a new chapter in its history with its planned transition to a C-corporation, effective in the 2027 taxable year[1]

WHAT IT MEANS FOR SHAREHOLDERS

- **Lowers Taxes & Improves Profitability**
  - Use existing tax assets to reduce taxes on future mortgage banking earnings
- **Strengthens the Balance Sheet**
  - Provides flexibility to retain and reinvest more earnings, prioritizing debt reduction and long-term book value growth
- **Lowers Cost of Capital**
  - Improves credit metrics and broadens access to institutional financing markets, creating opportunities to refinance higher-cost debt over time

$0.73–$0.77	$70-$75 million	$20-$25 million	$9 million
Estimated Q4'26 BVPS accretion from C-corporation transition[2]	Incremental cash retained annually from projected common dividend reset[3]	Illustrative annual cash tax savings[4]	Potential annual savings per 100bps reduction in unsecured borrowing costs[5]

Detailed Endnotes are included at the end of this presentation.

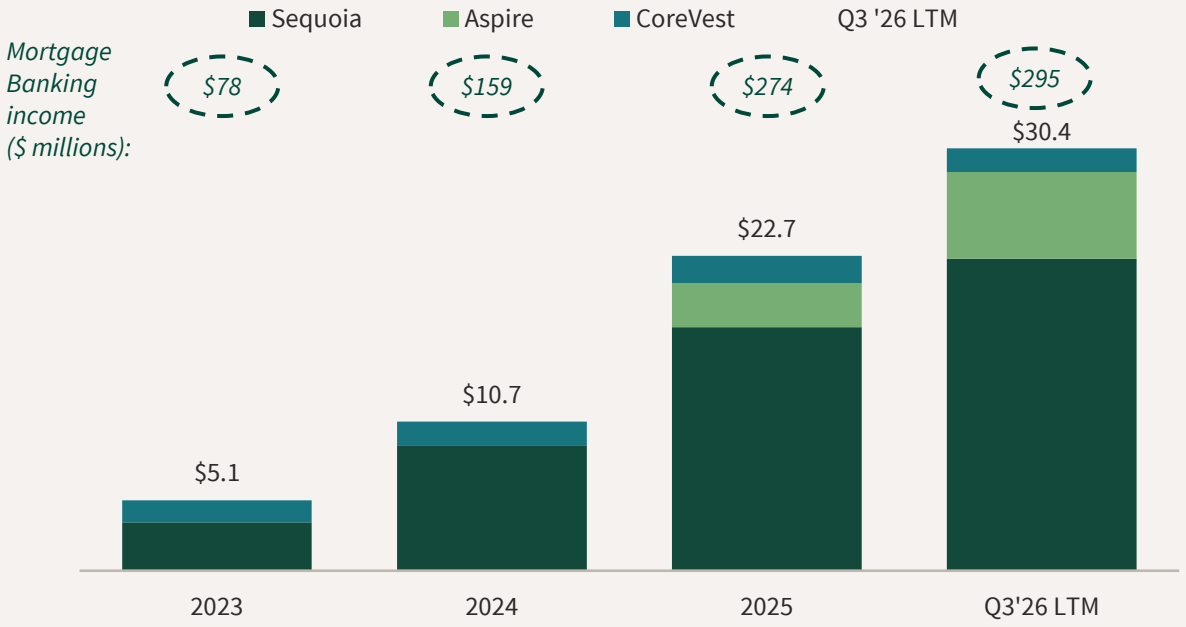
Our Mortgage Banking Business Has Outgrown the Traditional REIT Structure

Transitioning to a C-corporation allows us to put currently trapped tax benefits to work, reducing tax liability on future operating earnings

MORTGAGE BANKING PRODUCTION BY PLATFORM(1)

$ billions

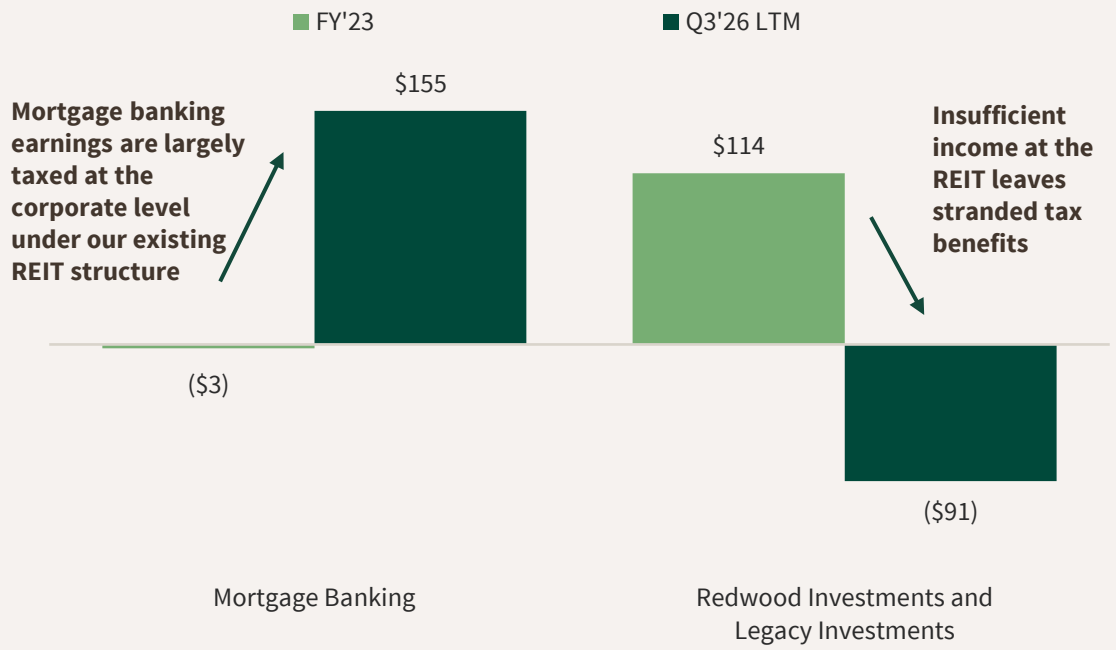
Mortgage banking production has grown consistently…



CONTRIBUTION TO GAAP INCOME BY SEGMENT

$ millions

…driving meaningful growth in contribution to GAAP Income



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Note: Mortgage Banking refers to the combined performance or data related to Sequoia Mortgage Banking, Aspire Mortgage Banking, and CoreVest Mortgage Banking segments.

Our C-Corporation Transition Creates a Clearer Path to Book Value Growth Beginning in 2027

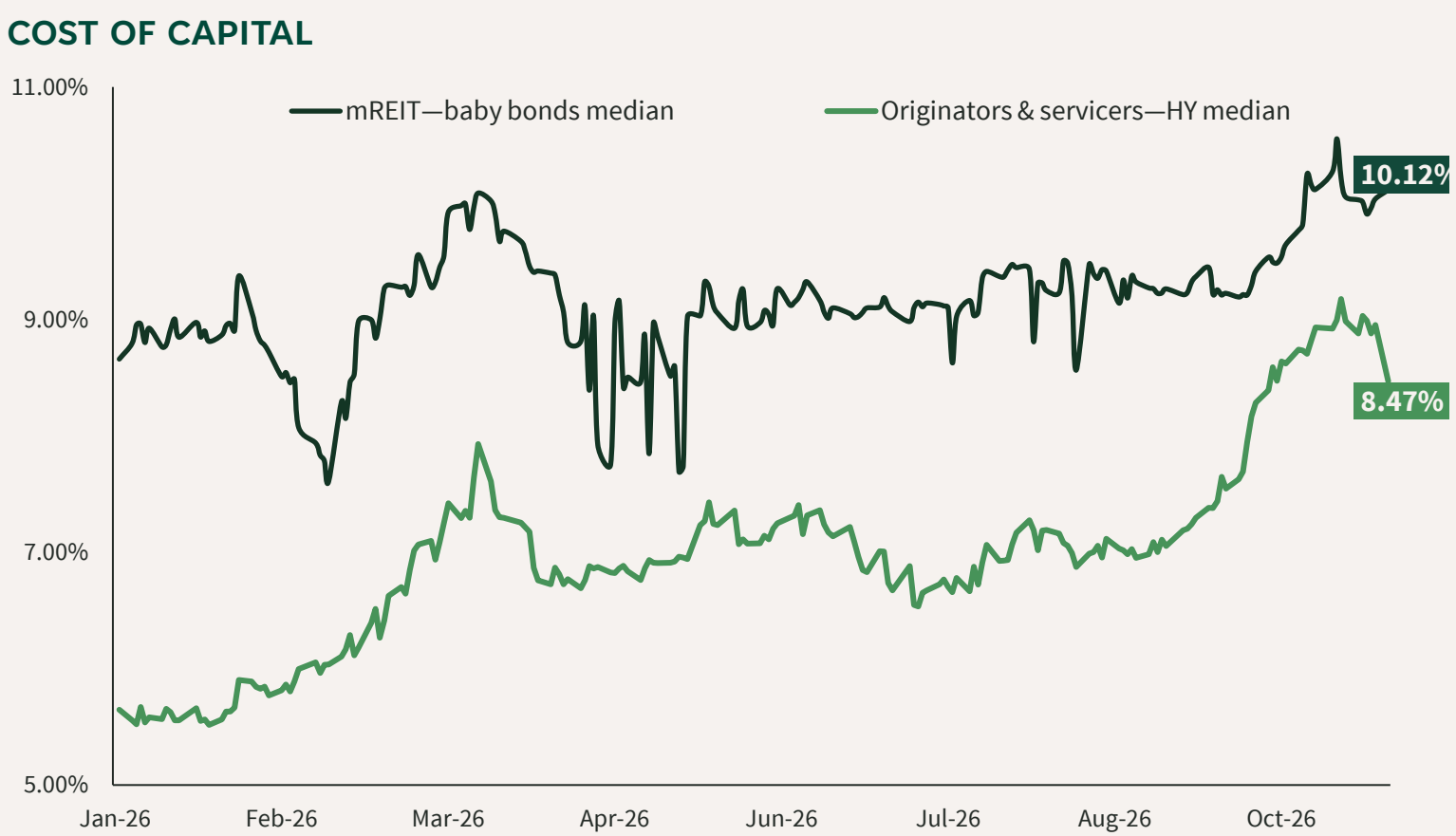
- Since the start of 2024, common dividends distributed have approximated overall change in book value per share
- Our C-corporation transition plan unlocks Q4’26 book value accretion from existing tax assets, while greater earnings retention and lower cash taxes provide lasting economic benefits

BOOK VALUE PER SHARE ESTIMATED DEFERRED TAX ASSET BENEFIT(1)



Detailed Endnotes are included at the end of this presentation.

C-Corporation Transition Expected to Lower Our Cost of Capital Over Time



150 – 200 bps

Illustrative gap in market yields[1]

Broader investor base

Potential access to institutional high-yield and other investors beyond traditional mortgage REIT buyers

Stronger credit profile

Retained earnings build equity beneath unsecured debt, improving creditor protection over time

More flexible covenants

Opportunity to move toward debt covenants less dependent on unencumbered assets and asset-level eligibility

Detailed Endnotes are included at the end of this presentation.

Q3’26 Business Update

Third Quarter 2026 Financial Performance

($0.39)
Consolidated GAAP EPS

$6.56
Book Value Per Share (BVPS)
(4.9%) QoQ Change at 9/30/2026

(22.8%)
GAAP ROE

$0.18
Non-GAAP Core Segments EAD EPS*

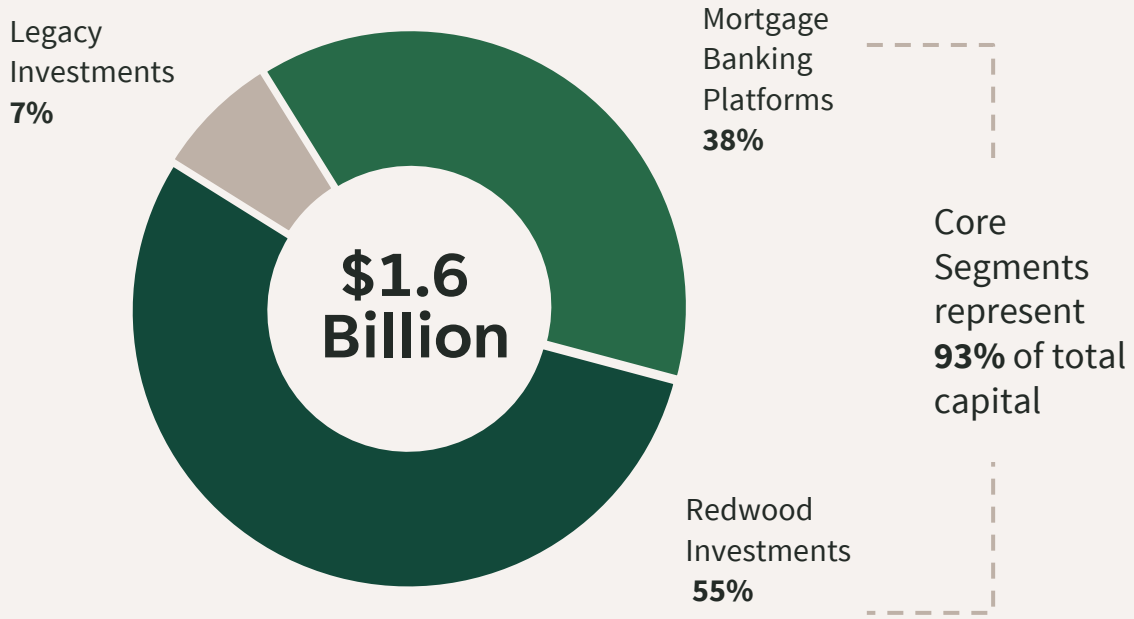
(2.3%)
Total Economic Return(1)

12.7%
Non-GAAP Core Segments EAD ROE*

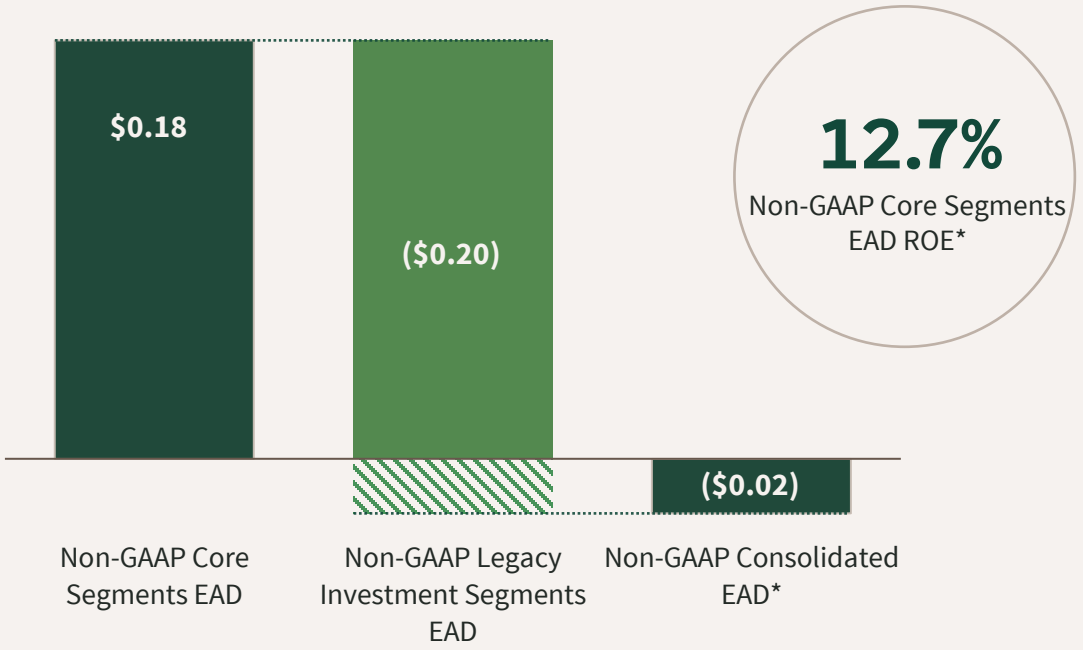
Detailed Endnotes are included at the end of this presentation.
*Non-GAAP Core Segments EAD EPS and Non-GAAP Core Segments EAD ROE are non-GAAP measures. See "Non-GAAP Financial Measures" slides for additional information.

Third Quarter 2026 Financial Performance (Continued)

SEGMENT CAPITAL COMPOSITION



NON-GAAP CORE SEGMENTS EAD PER SHARE*

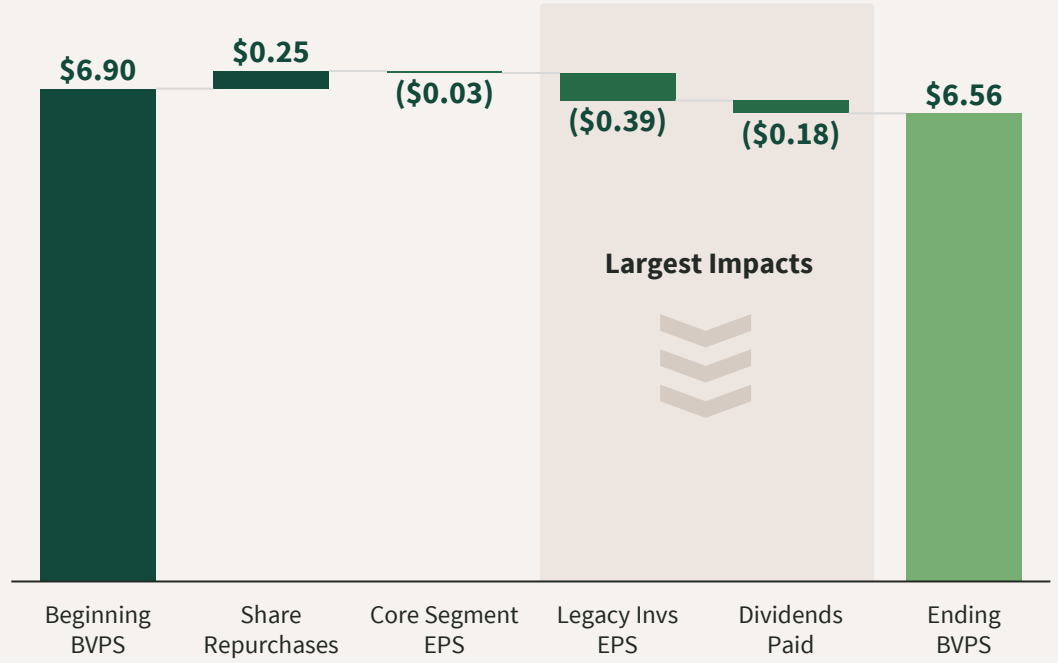


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*Non-GAAP Core Segments EAD ROE, Non-GAAP Core Segments EAD, Non-GAAP Legacy Investments Segment EAD and Non-GAAP Consolidated EAD are non-GAAP measures.
See "Non-GAAP Financial Measures" slides for additional information.

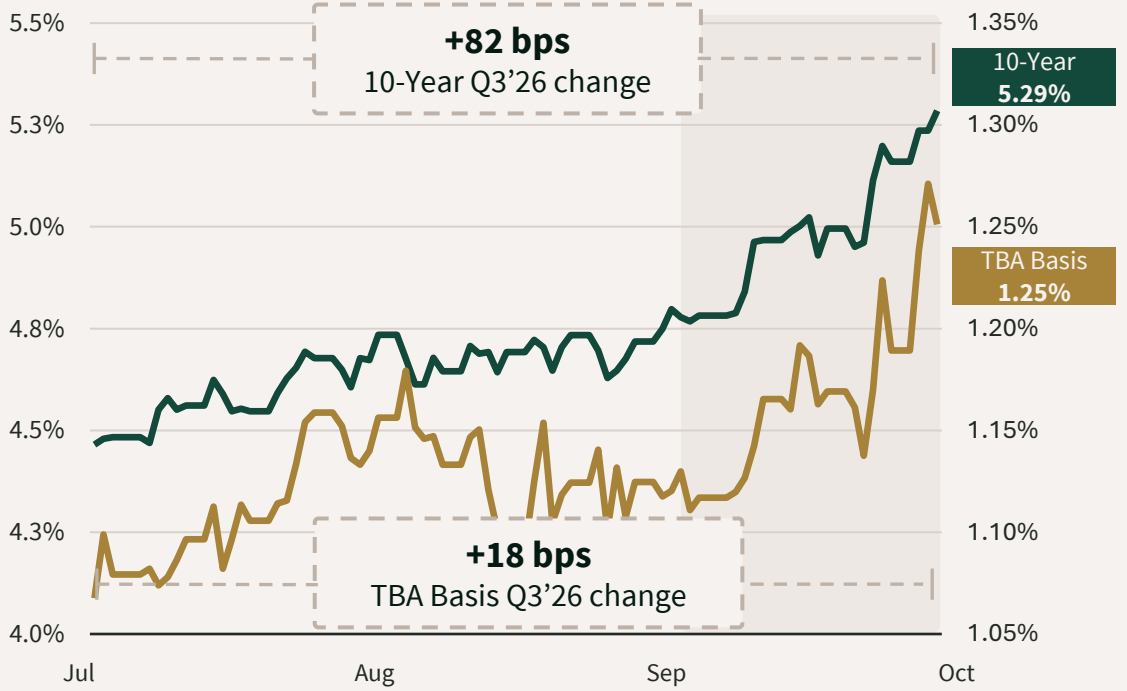
Core Segments Remained Resilient Amid Increased Volatility

Q3'26 BOOK VALUE PER SHARE ROLL-FORWARD

$ per share



10-YEAR TREASURY VS. TBA BASIS(1)



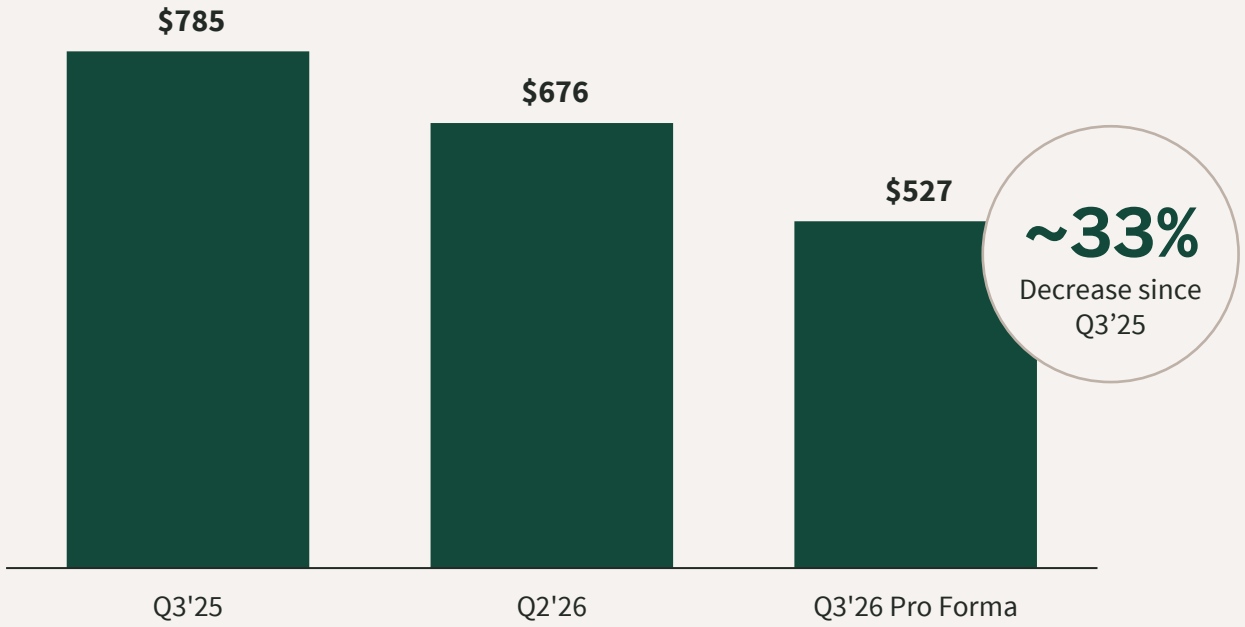
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Legacy Loan Dispositions Are Accelerating

- Legacy Investments resolutions create a meaningful opportunity to improve financial performance

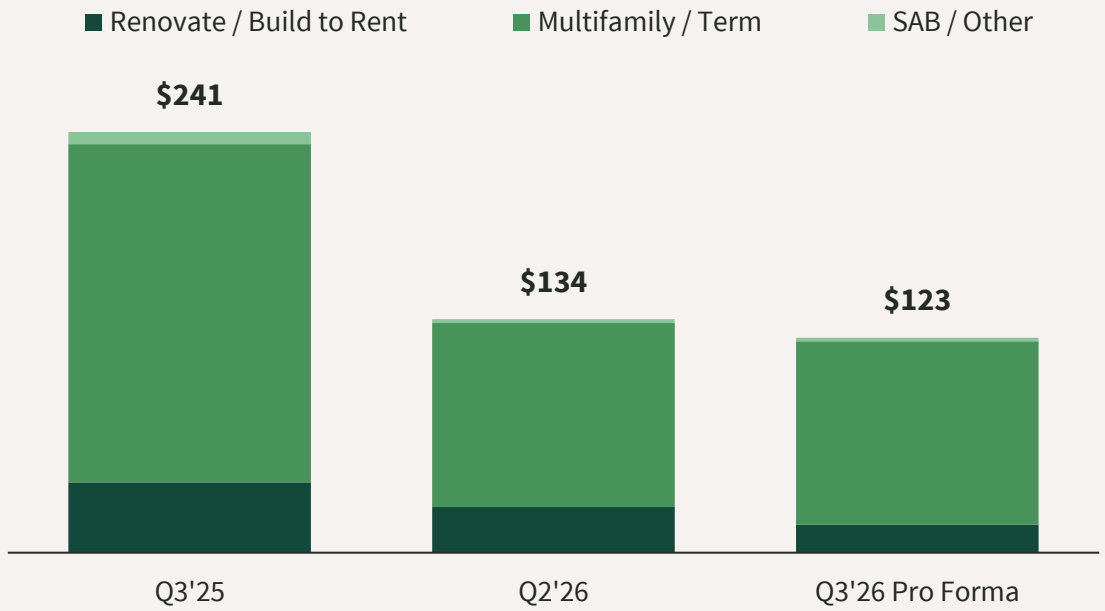
TOTAL LEGACY GROSS FAIR VALUE EXPOSURE(1)

$ millions



90+ DAY LEGACY LOAN DELINQUENCIES ON BALANCE SHEET(1)

$ UPB, millions

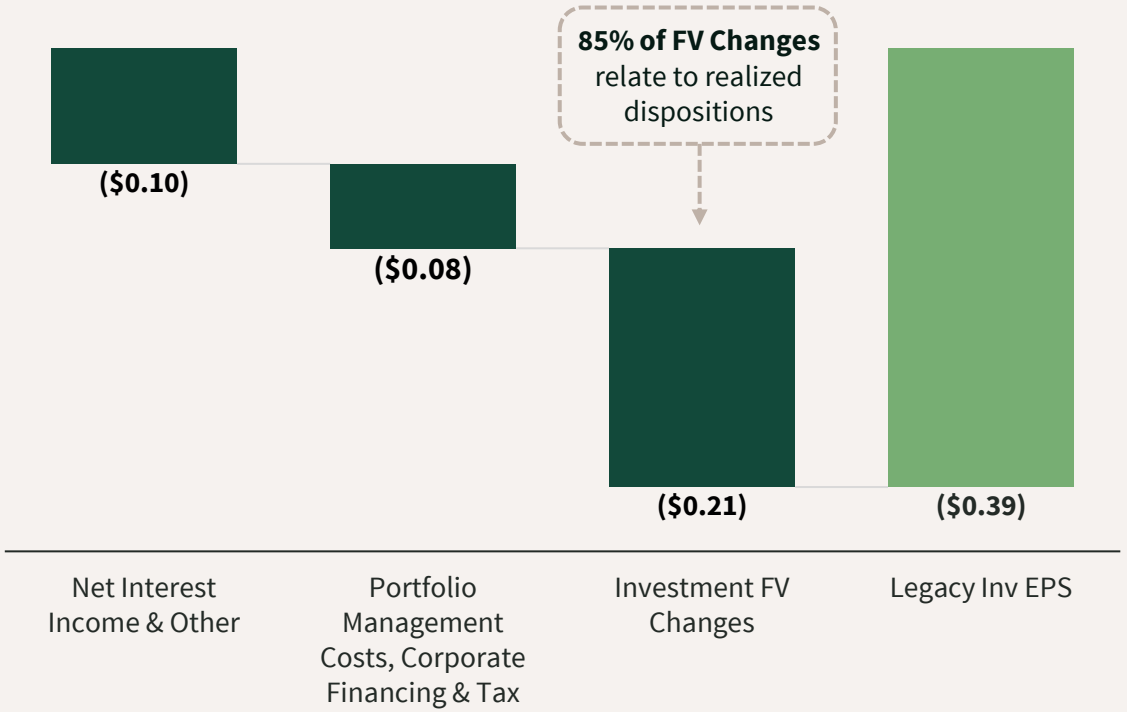


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Legacy Earnings Reflect Disposition-Related Marks

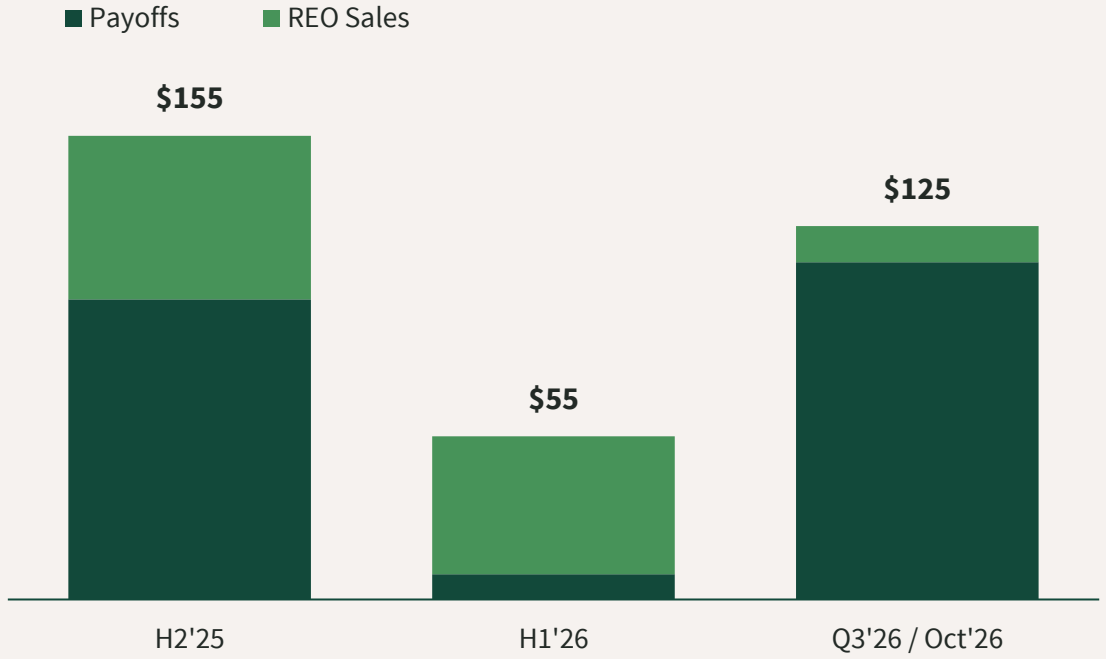
Q3'26 LEGACY INVESTMENTS SEGMENT EPS COMPONENTS(1)

$ per share



REALIZED PAYOFFS AND REO SALES

$ UPB, millions

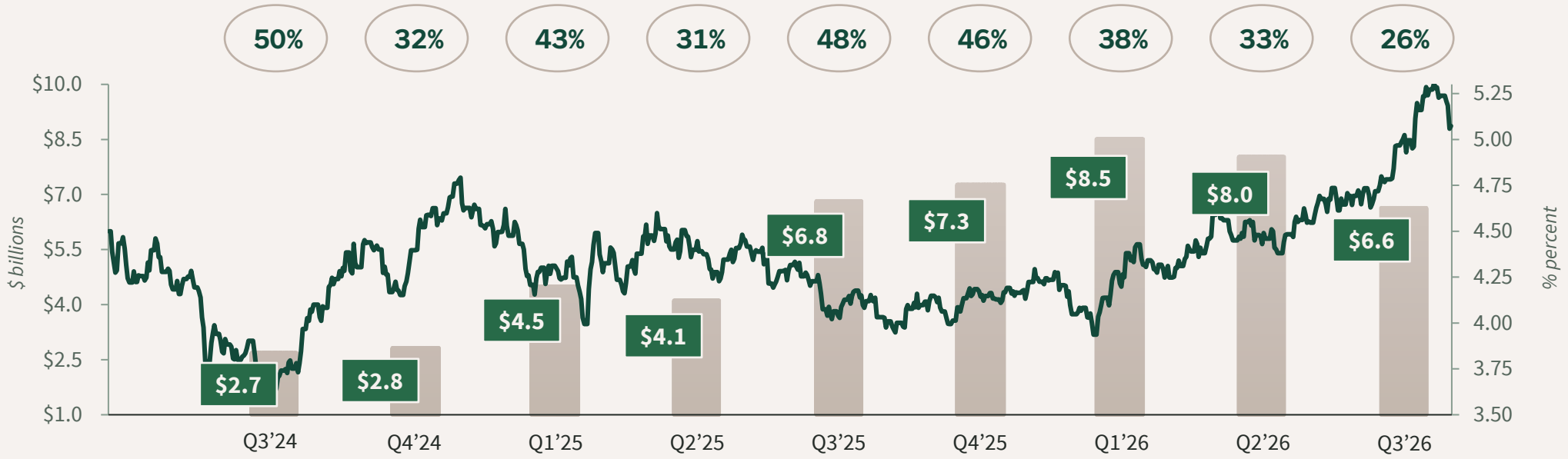


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Disciplined Risk Management Delivers Strong Returns Through Market Cycles

10-YEAR TREASURY YIELD VS. RWT MORTGAGE BANKING VOLUME

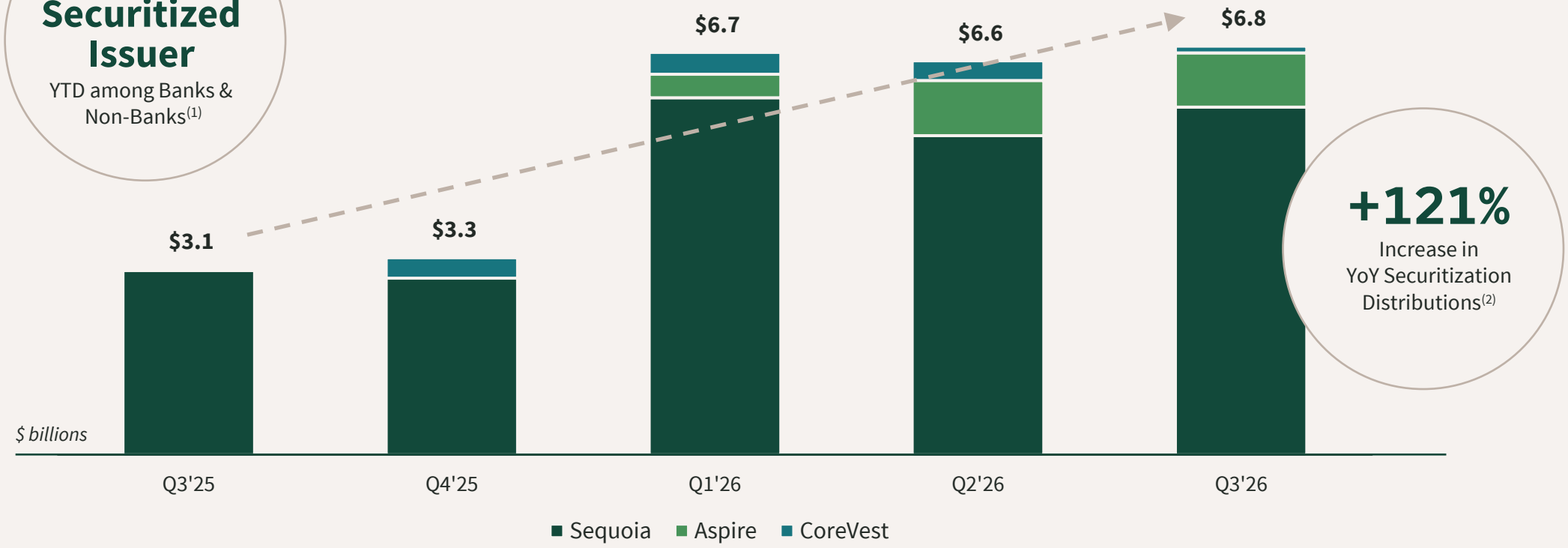
20%+ Return on Capital*
9 Consecutive Quarters



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* ROC is a non-GAAP measure. See "Non-GAAP Financial Measures" slides for additional information.

Robust Securitization Activity with Over $20 Billion in Issuance YTD

#1 Securitized Issuer
YTD among Banks & Non-Banks[1]



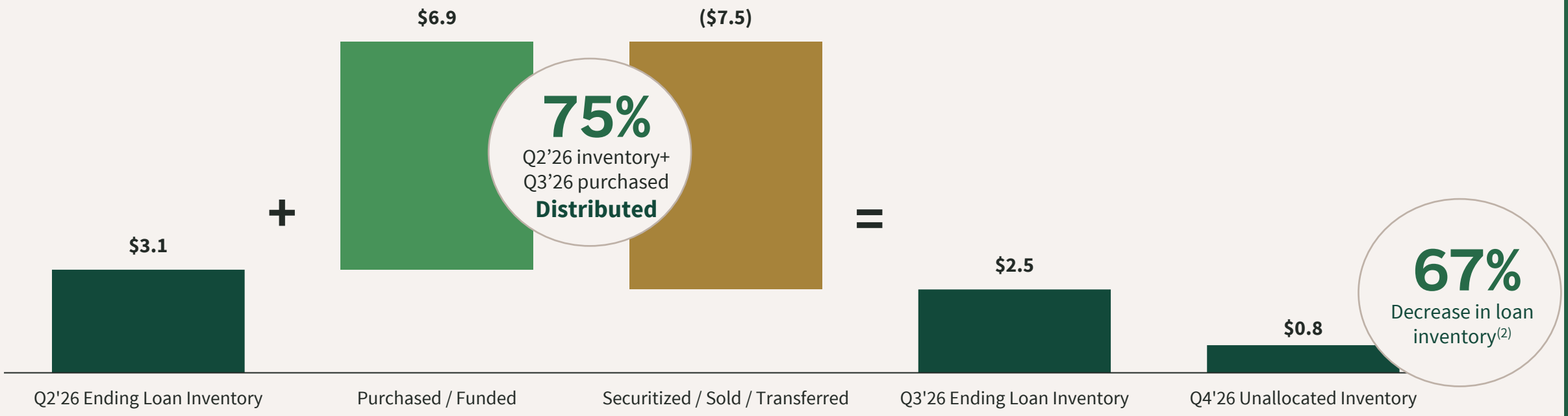
+121%
Increase in YoY Securitization Distributions[2]

Detailed Endnotes are included at the end of this presentation.

Proactive Pipeline Management Aligns with Market Conditions

MORTGAGE BANKING LOAN ACTIVITY(1)

$ billions

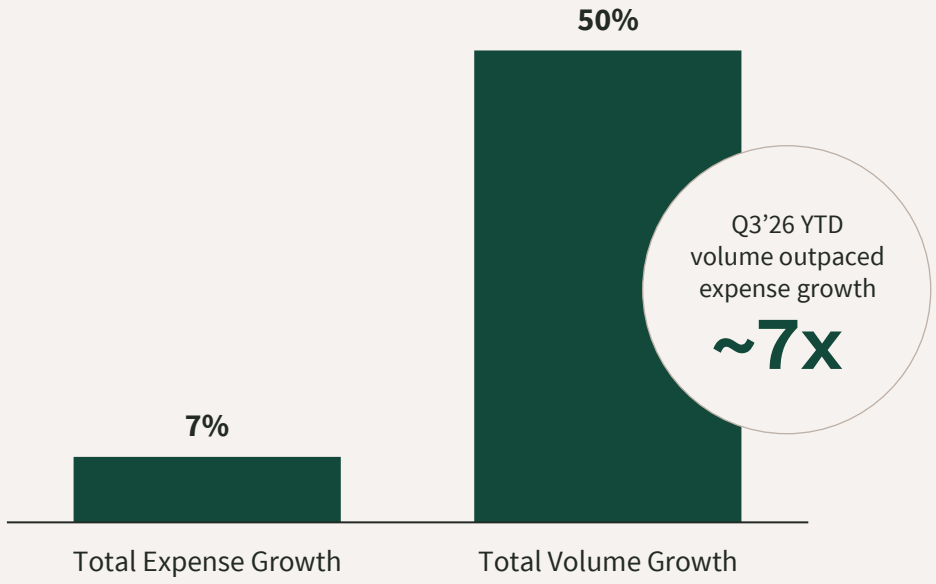


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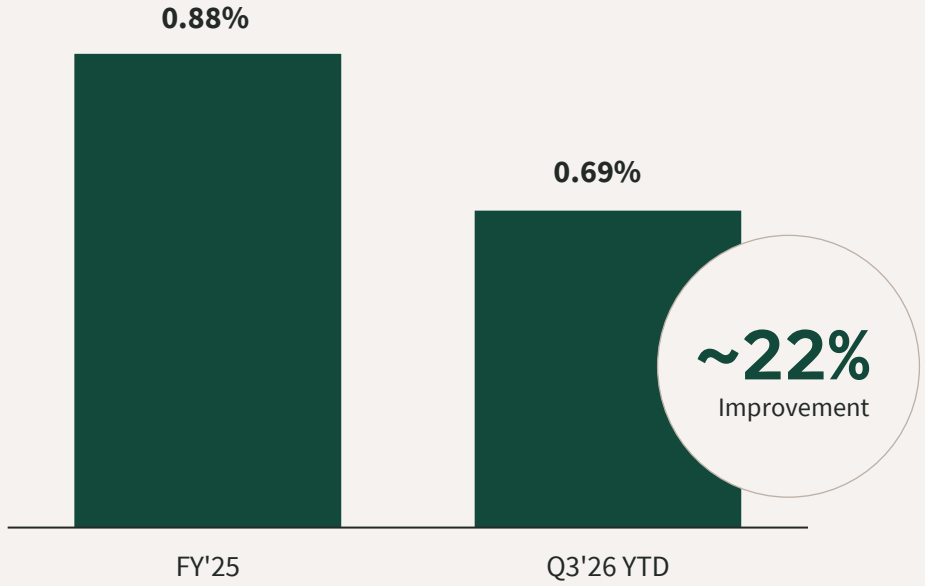
Maintaining Expense Efficiency as Production Scales

- Approximately 60% of our Q3’26-YTD cost base is variable and tied to production

TOTAL VOLUME[1] AND EXPENSE CHANGE[2]
(Q3’25-YTD vs. Q3’26-YTD)



TOTAL EXPENSE[2] AS % OF VOLUME[1]
(Total Expense / Volume)



Detailed Endnotes are included at the end of this presentation.

Sequoia / Aspire Joint Ventures Drive Accretive Capital Efficiency

HOW REDWOOD GENERATES EARNINGS FROM JVs | Income statement geography and illustrative financial impact

01 UPFRONT LOAN SALE
Mortgage banking activities, net

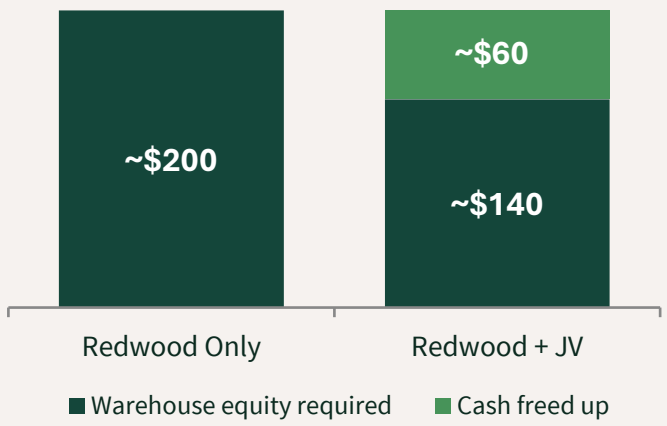
02 JV PROFIT PARTICIPATION
Other income / equity method

03 ADMINISTRATION FEES
Fee income / other income

ASSUMPTIONS | $30 billion illustrative annual production **30–40%** allocated to JVs **~40%** estimated returns with JVs on RWT capital

CASH FREED UP FROM WAREHOUSE CAPITAL(1)

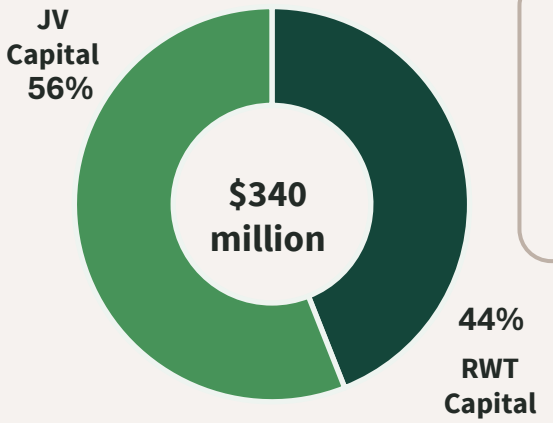
$ millions, illustrative



~$60 million
of cash freed up by JV-directed volume (~30% less) (illustrative)

LOWER CAPITAL NEEDED FOR RETAINED INVESTMENTS(1)

$ millions, illustrative



56%
Less capital required to fund investments we retain (illustrative)

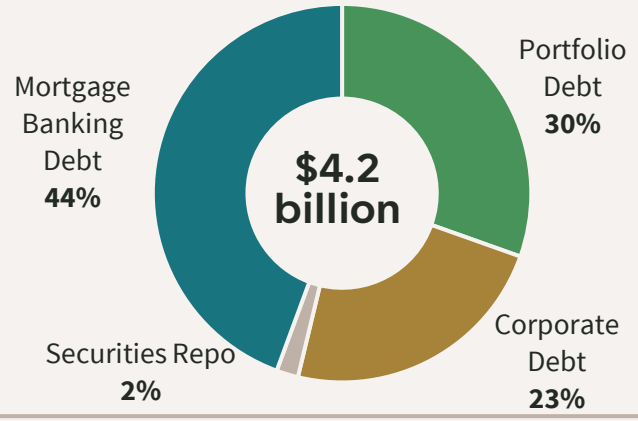
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Leverage Associated with Fast-Turning Assets

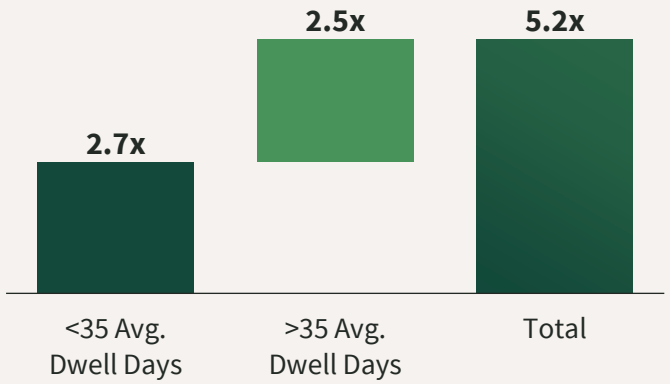
Growth in secured debt has been primarily driven by Mortgage Banking growth

- Rapid capital turnover across distribution channels accelerates deleveraging through cash generation
- Loans on balance sheet for an average of 32 days Q3'26-YTD[2]

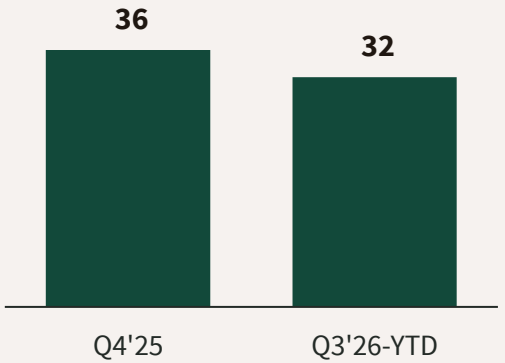
SEGMENT RECOURSE COMPOSITION



RECOURSE LEVERAGE RATIO[1]



AVERAGE DAYS ON BALANCE SHEET[2]

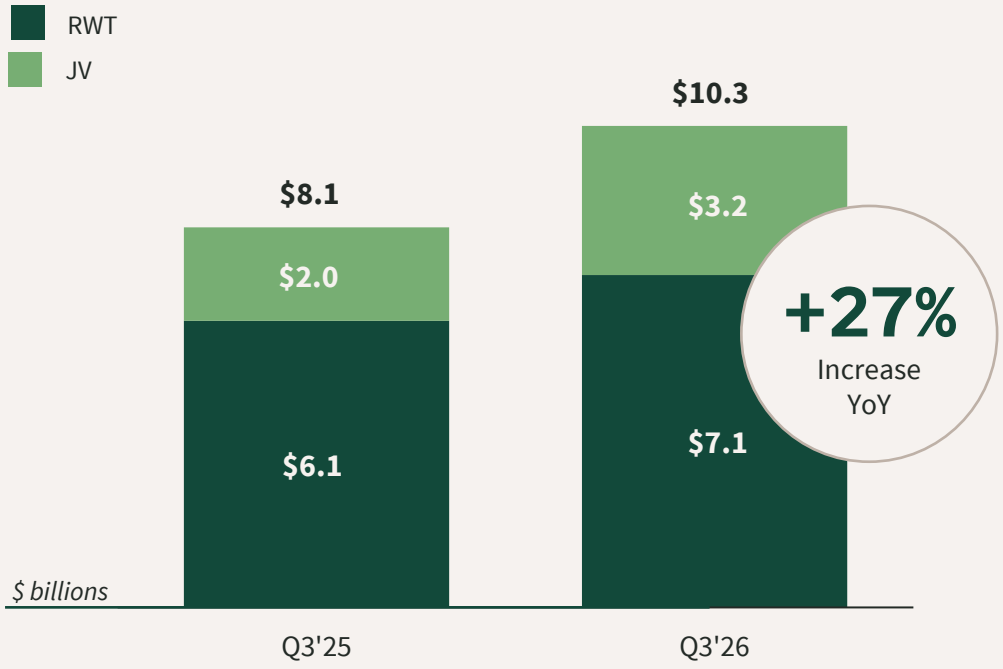


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Portfolio refers to Redwood Investments and Legacy Investments segments.
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Improved Financing Terms Support Growth

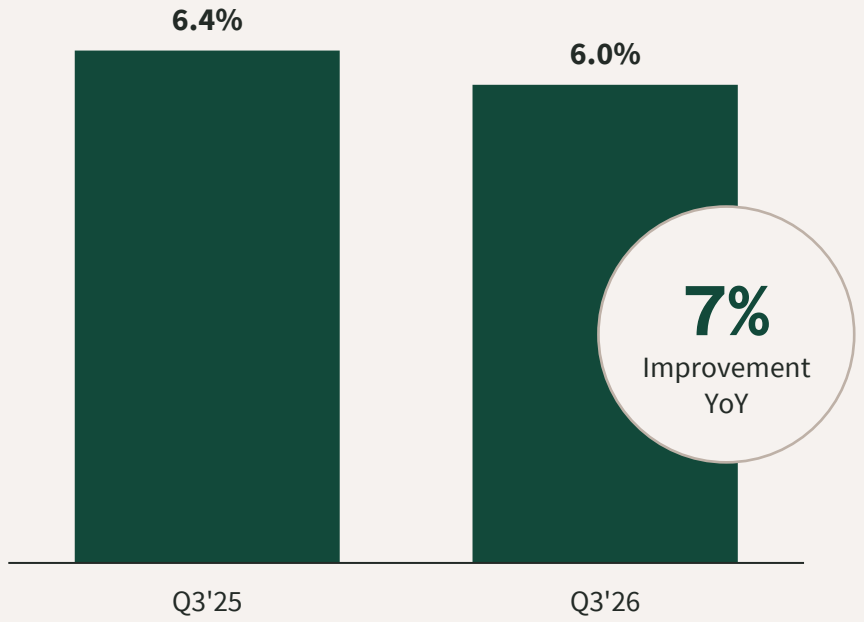
WAREHOUSE CAPACITY[1]

Renewed $7.1 billion of capacity since Q3'25



COST OF FUNDS[1]

Average warehouse financing costs improved vs prior year

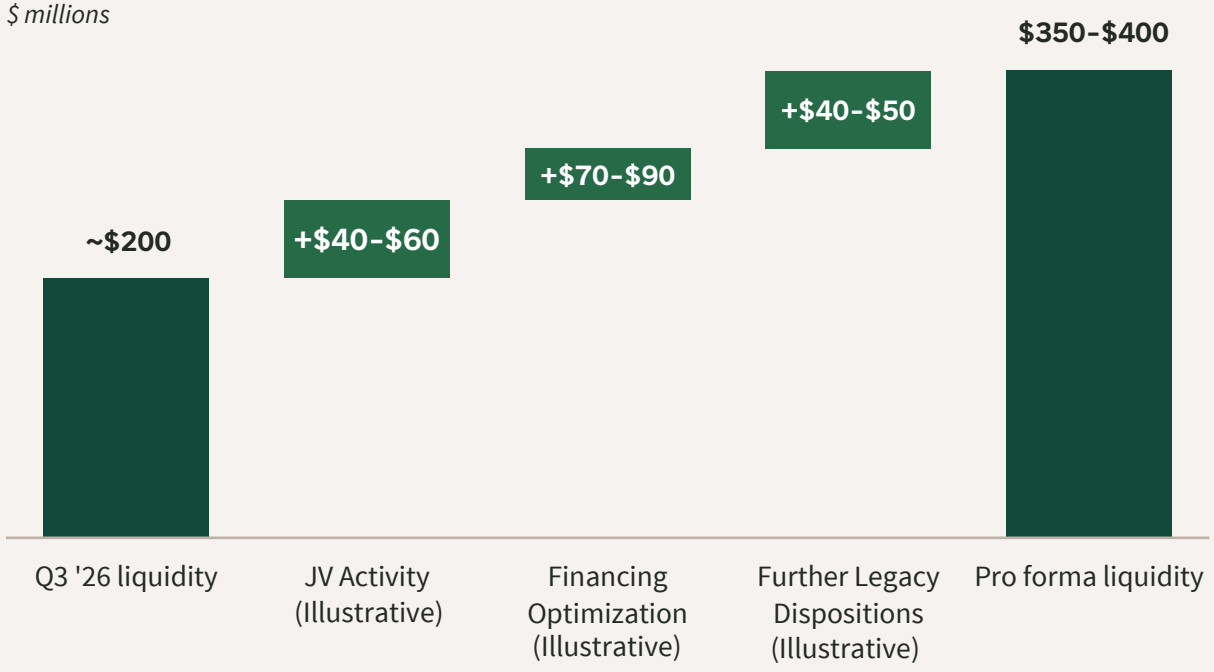


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Sources of Capital to Drive Incremental Growth & Liability Management

SOURCES OF CAPITAL: CURRENT TO ILLUSTRATIVE PRO FORMA[1]

$ millions



WHERE FREED UP CAPITAL CAN GO

1 Liability Management

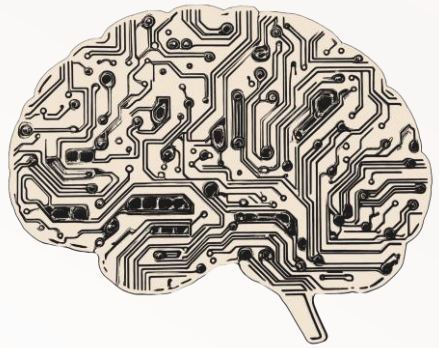
- Repayment of June 2027 convertible debt
- Accretive repayment of longer-dated unsecured debt

2 Mortgage Banking

Redeployment into operating platforms

Detailed Endnotes are included at the end of this presentation.

RWT Horizons: Technology & AI Update Q3’26



- Deployed agents in technology support and FP&A handling work that once required manual effort from staff and executives alike
- Delivered self-service data access to our Capital Markets Teams
- In the first nine months of 2026, our engineers surpassed their full-year 2025 deliverables and velocity with no net additions to headcount

AI IMPACT BY THE NUMBERS

~28,300

Annualized hours saved from AI-enabled automations

33%+

Increase in productivity efficiencies on the Engineering Team

90%+

Enterprise-wide AI adoption achieved

Horizons Investments Beginning to Realize Significant Value

RWT Horizons wrote one of the first checks to Closinglock, recently acquired by CertifID

RWT HORIZONS PORTFOLIO HIGHLIGHTS

Closinglock

Closinglock provides fraud prevention, workflow management, and digital payments to the real estate industry.

The acquisition by CertifID brings capital back to Redwood and additional exposure to FinTech and fraud prevention solutions.

Early-Stage AI Inference Startup*

RWT Horizons marked up a position 7x following a portfolio company's recent capital raise at a significantly higher valuation.

OTHER PORTFOLIO INVESTMENTS

hiddenweights* Sentient* Engramme*

Purlin Cortex Beams* Dwellsy*

TrustPoint AI Crosslayer Labs* FUTUREPROOF

bonus RENTROOM FLOCK Rigor AI*

rentbutter Haven Tongo LiquidFi

amenify LeaseLock freemodel Laminr

NeoCognition* Project Prometheus*

*These investments were made through an investment in Frontiers Capital

Third Quarter 2026 Earnings & Segment Results

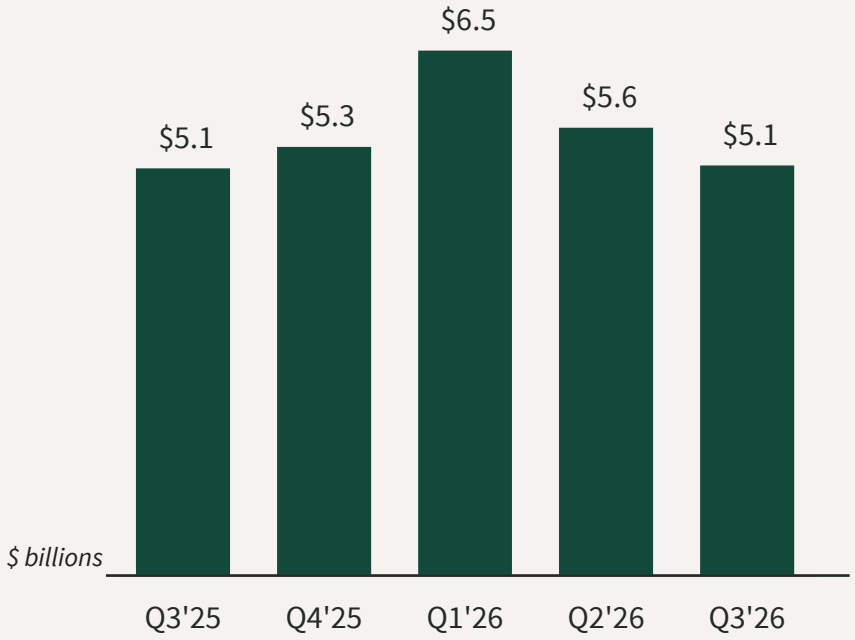


Sequoia Q3’26 Performance Summary

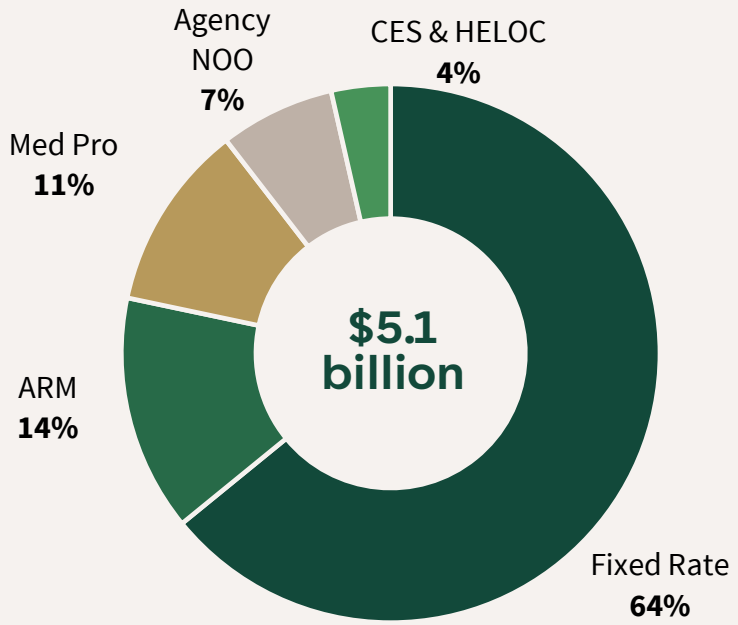
REDWOOD’S JUMBO RESIDENTIAL CORRESPONDENT PLATFORM

- $5.1 billion lock volume represents 40% Q3’26-YTD growth[1]
- Q3’26 lock volume reflects a diversified mix including 36% non-fixed rate products
- $5.8 billion of distribution activity across 10 securitizations[2]

QUARTER OVER QUARTER LOCK VOLUME[1]



Q3’26 LOCK VOLUME PRODUCT MIX[1]



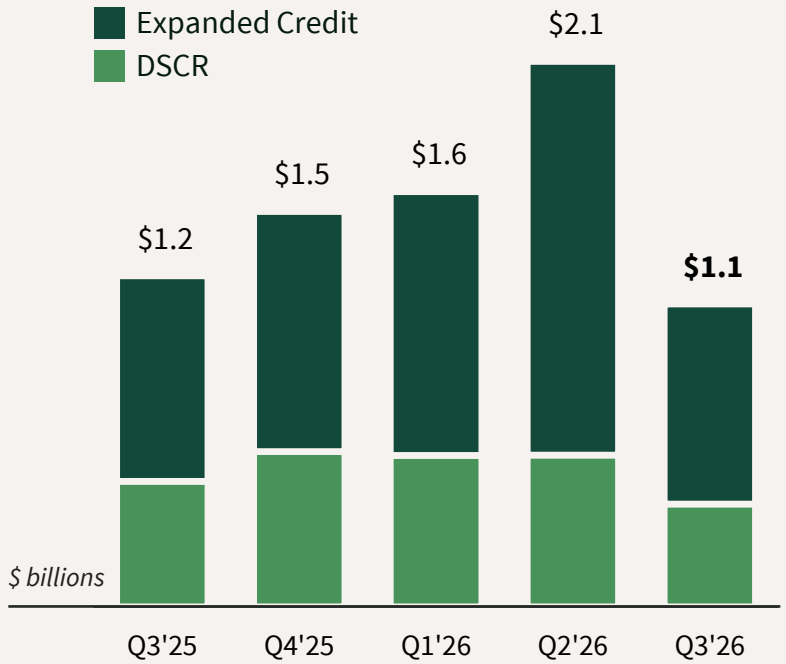
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Aspire Q3’26 Performance Summary

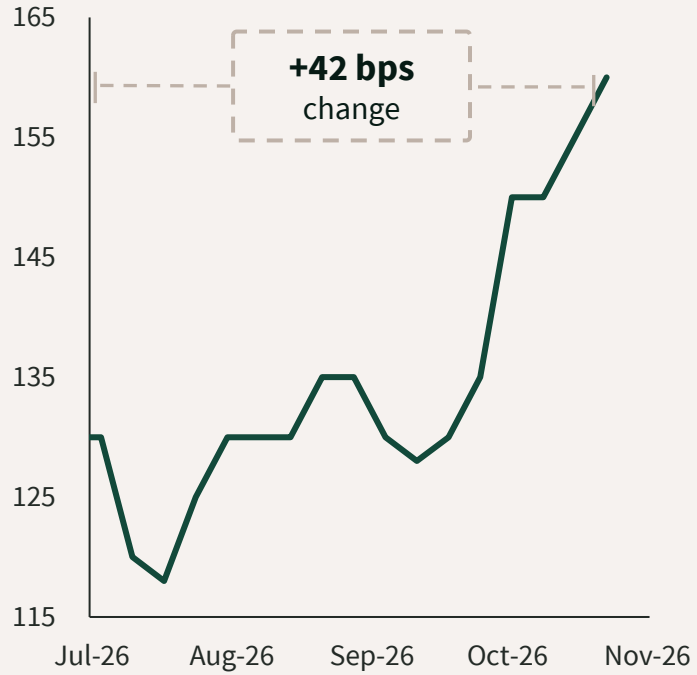
REDWOOD’S NON-QM CORRESPONDENT PLATFORM

- Q3’26 lock volume of $1.1 billion[1]
- Active network of over 165 sellers
- Growing share of Flow purchases now represents ~88% of volume

QUARTER OVER QUARTER LOCK VOLUME[1]



NON-QM AAA SPREADS[2] (BASIS POINTS)



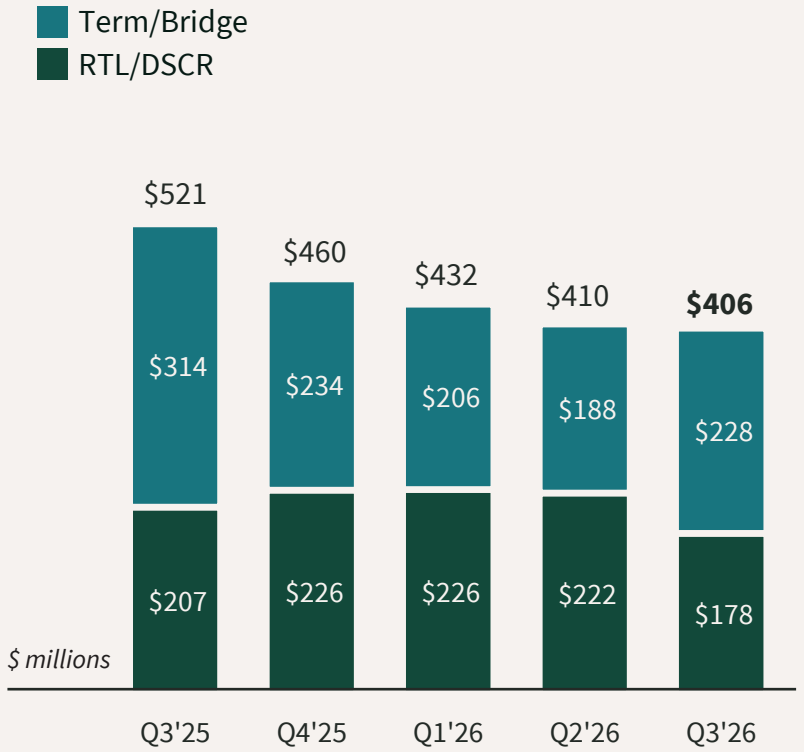
Detailed Endnotes are included at the end of this presentation.

CoreVest Q3’26 Performance Summary

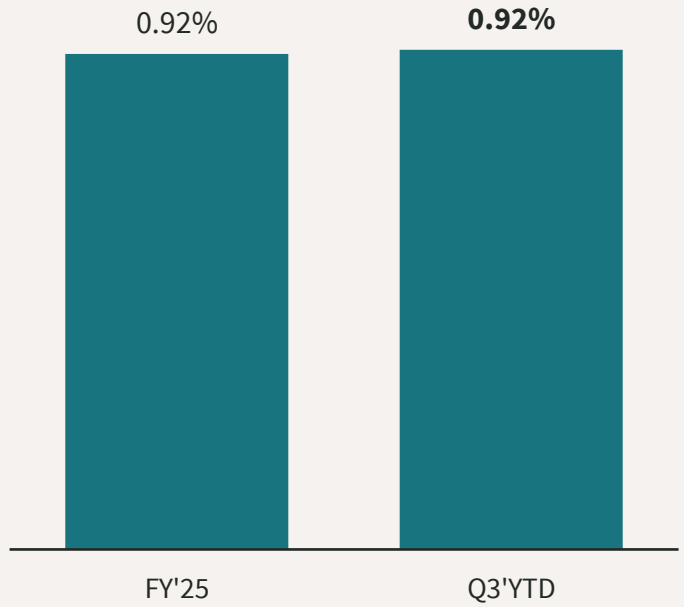
REDWOOD’S HOUSING INVESTOR LOAN PLATFORM

- Q3’26 funded volume of $406 million
  - Maintained pipeline integrity throughout Q3’26 amid a Fed rate hike
- 53% of Term/Bridge underlying properties have a vintage of less than 5 years
- Distributed $427 million of loans through direct sales, securitizations and JV transfers
- $189 million of Bridge loan fundings – highest since Q3’23

FUNDED VOLUMES



NET COST TO ORIGINATE(1)



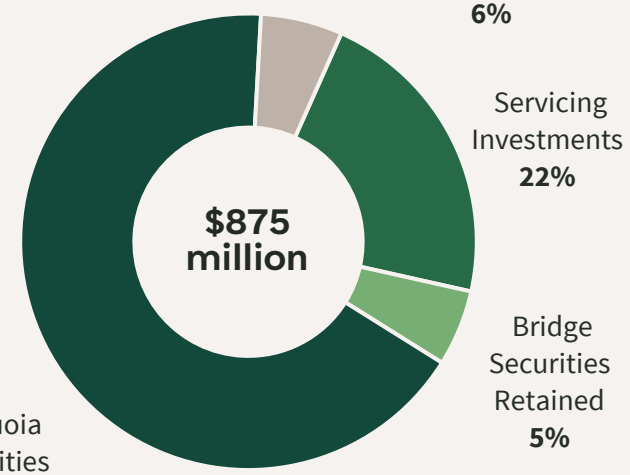
Detailed Endnotes are included at the end of this presentation.

Redwood Investments Q3’26 Performance Summary

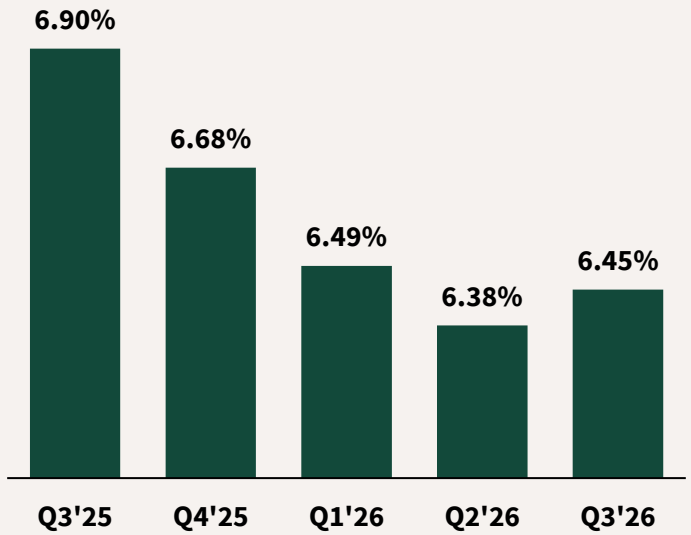
INVESTMENTS SOURCED DIRECTLY FROM OUR OPERATING PLATFORMS

- $67 million of capital deployed into retained investments created from third quarter securitization activity

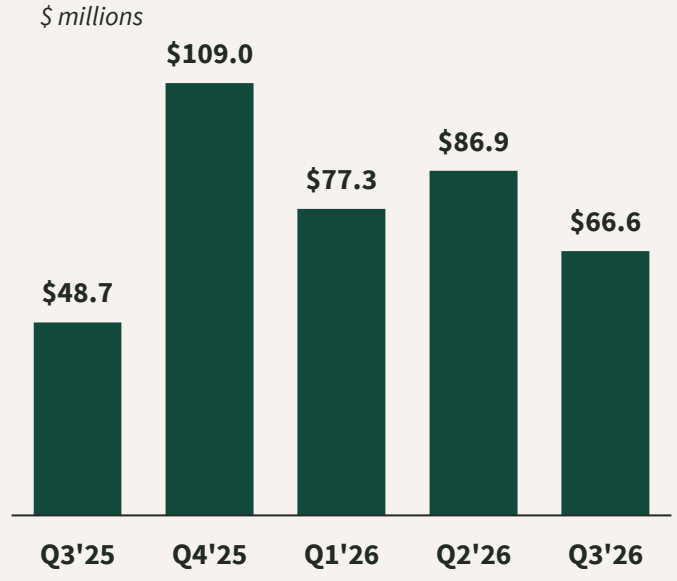
CAPITAL ALLOCATION



PORTFOLIO COST OF FUNDS(1)



PORTFOLIO CAPITAL DEPLOYED(2)



Detailed Endnotes are included at the end of this presentation.

Financial Results



Income Statement

($ in millions, except per share data)

	Three Months Ended	
	9/30/2026	6/30/2026
Net interest income	$ 40.6	$ 32.1
Non-interest income		
Mortgage banking activities, net	8.9	32.1
Investment fair value changes, net	(38.1)	(22.5)
HEI (loss) income, net	(3.7)	2.8
Servicing income, net	3.5	2.6
Fee income, net	2.2	3.0
Other income, net	3.5	6.0
Realized (losses) gains, net	(4.0)	—
Total non-interest income, net	$ (27.7)	$ 23.9
General and administrative expenses	(38.5)	(38.2)
Portfolio management costs	(11.0)	(7.0)
Loan acquisition costs	(6.6)	(6.0)
Other expenses	(7.0)	(4.7)
Benefit from (provision for) income taxes	4.6	(1.1)
Net loss	$ (45.5)	$ (1.1)
Dividends on preferred stock	(1.8)	(1.8)
Net loss related to common stockholders	**$ (47.3)**	**$ (2.9)**
Net Loss per basic and diluted common share	**$ (0.39)**	**$ (0.03)**

Detailed Endnotes are included at the end of this presentation.

Balance Sheet

($ in millions)

	9/30/2026	6/30/2026
Residential consumer loans	$ 25,173.2	$ 23,638.7
Residential investor loans	2,760.0	3,125.5
Real estate securities	470.0	480.9
Home equity investments (HEI)	326.2	339.7
Servicing Investments	293.0	290.8
Strategic Investments	113.1	97.1
Cash and cash equivalents	201.1	191.8
Other assets	1,062.5	653.5
Total assets	**$ 30,399.0**	**$ 28,818.1**
ABS issued	$ 24,154.8	$ 22,515.9
Debt obligations, net	4,717.0	4,956.6
Other liabilities	696.1	411.8
Total liabilities	**29,568.0**	**27,884.3**
Equity	831.0	933.8
Total liabilities and equity	**$ 30,399.0**	**$ 28,818.1**

Detailed Endnotes are included at the end of this presentation.

Capital Allocation Summary

($ in millions)

	As of September 30, 2026				As of 6/30/26
	Fair Value of Assets [1]	Recourse Debt	Non-Recourse Debt [2]	Total Capital	Total Capital
Sequoia Mortgage Banking					
Loans and other working capital [3]	$ 1,752	$ (1,114)	$ (364)	$ 275	$ 300
Aspire Mortgage Banking					
Loans and other working capital [3]	932	(757)	—	175	200
CoreVest Mortgage Banking					
Loans and other working capital [3]	208	(79)	—	130	128
Platform premium	28	—	—	28	30
Total CoreVest Mortgage Banking	236	(79)	—	158	158
Redwood Investments					
Sequoia Retained Investments	1,581	(539)	(441)	601	499
CoreVest Retained Investments	1,333	(267)	(968)	98	115
Third-Party Investments	192	(16)	—	176	189
Total Redwood Investments	3,106	(821)	(1,409)	875	804
Legacy Investments	682	(461)	(105)	116	195
Corporate [4]	215	(983)	—	(768)	(722)
Total / Equity	**$ 6,923**	**$ (4,215)**	**$ (1,878)**	**$ 831**	**$ 934**

Detailed Endnotes are included at the end of this presentation.

Mortgage Banking Key Results

($ in millions)

	Q3 2026				Q2 2026			
	Sequoia Mortgage Banking	Aspire Mortgage Banking	CoreVest Mortgage Banking	Total	Sequoia Mortgage Banking	Aspire Mortgage Banking	CoreVest Mortgage Banking	Total
Net interest income	$ 27.5	$ 6.7	$ 0.8	$ 34.9	$ 27.3	$ 3.6	$ 1.3	$ 32.1
Mortgage banking activities, net	11.6	(9.0)	6.4	8.9	12.9	9.2	9.9	32.1
Servicing income	—	0.1	—	0.1	—	—	—	—
Investment fair value changes, net	—	—	0.3	0.3	—	—	—	—
Fee Income. net	—	—	1.3	1.3	—	—	2.5	2.5
Other income, net	0.6	—	0.2	0.8	—	—	(0.2)	(0.2)
Mortgage banking income	39.6	(2.3)	9.0	46.3	40.2	12.8	13.5	66.5
Operating expenses	(8.9)	(3.8)	(12.2)	(24.9)	(8.2)	(3.9)	(12.5)	(24.6)
Benefit from (provision for) income taxes	2.4	0.8	3.4	6.6	0.1	(1.4)	0.3	(1.0)
Preferred Dividends	(0.8)	(0.1)	(0.1)	(1.0)	(0.5)	(0.2)	(0.1)	(0.8)
GAAP Net income (loss)	**$ 32.3**	**$ (5.4)**	**$ 0.1**	**$ 27.0**	**$ 31.6**	**$ 7.3**	**$ 1.2**	**$ 40.1**
Non-GAAP Adjustments:								
Acquisition related expenses	—	—	2.0	2.0	—	—	2.0	2.0
Organizational restructuring charges	—	—		—	—	—	—	—
Tax effect of adjustments	—	—	(0.5)	(0.5)	—	—	(0.4)	(0.4)
Non-GAAP EAD *	**$ 32.3**	**$ (5.4)**	**$ 1.6**	**$ 28.5**	**$ 31.6**	**$ 7.3**	**$ 2.8**	**$ 41.7**
Capital utilized (average for period) [1]	$ 317	73	$ 32	$ 422	$ 350	88	$ 47	$ 485
Return on Capital *	40.8 %	(29.7) %	1.6 %	25.6 %	36.1 %	33.2 %	10.0 %	33.1 %
EAD Return on Capital (non-GAAP) *	40.8 %	(29.7) %	19.7 %	27.0 %	36.1 %	33.2 %	23.5 %	34.4 %
Production Volumes								
CoreVest term loan fundings			$ 104.2				$ 186.6	
CoreVest bridge loan fundings			$ 301.4				$ 223.7	
Sequoia and Aspire loan locks	$ 5,088.0	$ 1,137.5			$ 5,560.6	$ 2,052.6		
Sequoia and Aspire loan purchase commitments (fallout adjusted)	$ 4,355.2	$ 762.9			$ 4,977.7	$ 1,450.1		

*Return on Capital ("ROC"), EAD and EAD Return on Capital ("EAD ROC") are non-GAAP measures. See "Non-GAAP Disclosures" slides for additional information.
Detailed Endnotes are included at the end of this presentation.

Redwood Investments Key Results

($ in millions)

	Three Months Ended	
	9/30/2026	6/30/2026
Net interest income	$ 18.9	$ 10.2
Investment fair value changes, net	(16.0)	(10.2)
HEI income, net	0.5	0.5
Servicing Income, net	3.4	2.6
Fee Income, net	0.9	0.5
Other income, net	1.9	5.2
Operating expenses	(10.0)	(6.6)
(Provision for) income taxes	(3.6)	(0.6)
Preferred Dividends	(0.4)	(0.8)
Net Income (GAAP)	**$ (4.4)**	**$ 0.7**
Non-GAAP Adjustments:		
Investment fair value changes, net	16.0	10.2
Tax effect of adjustments	2.0	(0.9)
EAD (non-GAAP) *	**$ 13.5**	**$ 10.0**
Average capital utilized	$ 596	$ 640
Less: average corporate debt utilized	(326)	(300)
Capital utilized (average for period)	**$ 270**	**$ 340**
Return on Capital *	(6.6) %	0.9 %
EAD Return on Capital (non-GAAP) *	20.0 %	11.8 %
At period end		
Carrying values of assets	$ 3,105.7	$ 2,919.3
Secured recourse debt	(821.4)	(683.7)
Secured non-recourse debt	(1,409.4)	(1,432.0)
Capital invested	$ 874.8	$ 803.6
Recourse leverage ratio [3]	0.9x	0.9x

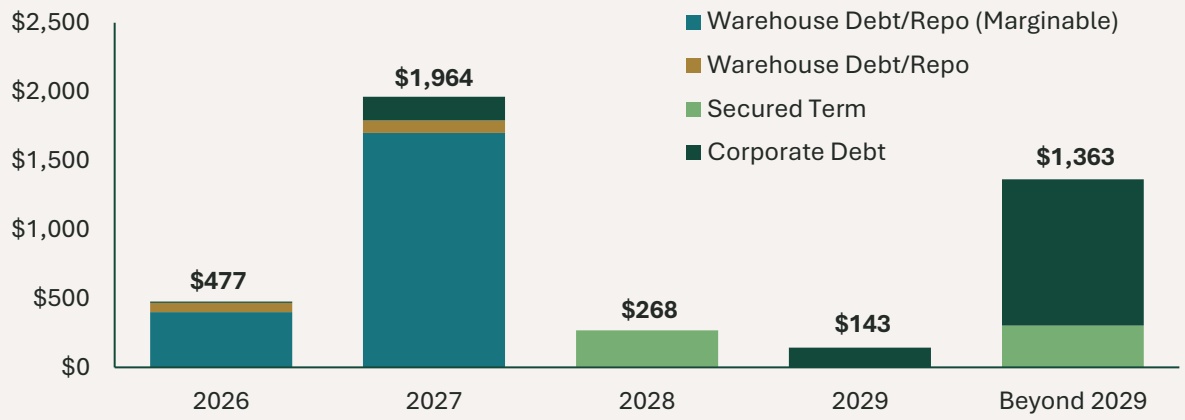
*Return on Capital ("ROC"), EAD and EAD Return on Capital ("EAD ROC") are non-GAAP measures. See "Non-GAAP Disclosures" slides for additional information.

Recourse Debt Balances

($ in millions)

	September 30, 2026							June 30, 2026	
	Secured Debt								
	Fair Value of Secured Assets	Non-Marginable Debt [1]	Marginable Debt [1]	Total Secured Debt	Unsecured Debt	Total Recourse Debt	Average Borrowing Cost [2]	Total Recourse Debt	Average Borrowing Cost [2]
Corporate debt	$ —	$ —	$ —	$ —	$ 983	$ 983	8.1 %	$ 902	8.3 %
Secured financing facility	901	400	—	400	—	400	9.1 %	371	8.7 %
Securities portfolio	875	476	86	562	—	562	7.0 %	474	7.0 %
Term loans	30	27	—	27	—	27	5.8 %	17	5.6 %
Bridge loans	209	140	—	140	—	140	7.3 %	171	6.9 %
Sequoia and Aspire loans[3]	1,939	—	1,860	1,860	—	1,860	5.5 %	2,424	5.3 %
HEI Options	140	89	—	89	—	89	7.5 %	42	8.2 %
MSR[4]	344	—	155	155	—	155	6.6 %	125	6.9 %
Total	**$ 4,439**	**$ 1,131**	**$ 2,101**	**$ 3,232**	**$ 983**	**$ 4,215**	**6.8 %**	**$ 4,526**	**6.5 %**

Recourse Debt Scheduled Maturities[1][5] as of 9/30/2026



Detailed Endnotes are included at the end of this presentation.

Non-GAAP Financial Measures



Non-GAAP Financial Measures

To supplement consolidated and segment financial information prepared and presented in accordance with U.S. generally accepted accounting principles ("GAAP"), the Company also provides the following non-GAAP measures:

- Earnings Available for Distribution (“EAD”)
- EAD Return on Equity ("EAD ROE")
- EAD per Basic Common Share
- Core Segments Earnings Available for Distribution (“Core Segments EAD”)
- Core Segments EAD Return on Equity ("Core Segments EAD ROE")
- Core Segments EAD per Basic Common Share
- Mortgage Banking Return on Capital ("ROC")
- Redwood Investments Recourse Leverage Ratio
- Legacy Investments Recourse Leverage Ratio
- Recourse Leverage Ratio

Management believes these non-GAAP measures provide useful supplemental information to investors and management in evaluating the Company’s operating performance, facilitating comparisons to industry peers, and assessing the current income-generating capacity of the Company’s operating platforms as of the period presented. These measures also assist in evaluating the Company’s ongoing transition to a more mortgage banking focused business model, including the wind-down of legacy portfolio holdings within the Legacy Investments segment.

These non-GAAP measures should not be utilized in isolation, nor should they be considered as an alternative to GAAP net income (loss) available (related) to common stockholders, or other measurements of results of operations computed in accordance with GAAP or for federal income tax purposes.

For additional information regarding these non-GAAP measures, including their definitions, please refer to the “Non-GAAP Financial Measures” section of RWT’s third-quarter 2026 earnings release, included in its Current Report on Form 8-K filed with the SEC on November 3, 2026.

Non-GAAP Financial Measures (Continued)

Reconciliation of GAAP to non-GAAP EAD – Third Quarter 2026[1]

	Three Months Ended September 30, 2026							
$ in millions	Sequoia Mortgage Banking	Aspire Mortgage Banking	CoreVest Mortgage Banking	Redwood Investments	Total Core Segments*	Legacy Investments	Corporate/ Other [2]	Total
GAAP Net Income (Loss)	**$ 32.3**	**$ (5.4)**	**$ 0.1**	**$ (4.4)**	**$ 22.6**	**$ (45.0)**	**$ (24.9)**	**$ (47.3)**
EAD Adjustments:								
Investment fair value changes, net [3]	—	—	—	16.0	**16.0**	22.4	—	**38.4**
Realized (gains)/losses, net [4]	—	—	—	—	**—**	—	4.0	**4.0**
Acquisition related expenses [5]	—	—	2.0	—	**2.0**	—	—	**2.0**
Tax effect of adjustments [8]	—	—	(0.5)	2.0	**1.5**	—	—	**1.5**
Non-GAAP EAD*	**$ 32.3**	**$ (5.4)**	**$ 1.6**	**$ 13.5**	**$ 42.1**	**$ (22.6)**	**$ (20.9)**	**$ (1.4)**
Adjustment for allocation of Corporate segment [2]	(8.5)	(2.0)	(0.9)	(7.3)	**(18.7)**	(2.3)	20.9	**—**
Non-GAAP EAD* with Allocated Corporate Segment	**$ 23.8**	**$ (7.4)**	**$ 0.7**	**$ 6.2**	**$ 23.4**	**$ (24.9)**	**$ —**	**$ (1.4)**

GAAP Net Income (loss)	**$ (47.3)**
EAD*	**$ (1.4)**
Core Segments EAD*	**$ 23.4**
GAAP Net Income (loss) per Basic Common Share	**$ (0.39)**
EAD per Basic Common Share*	**$ (0.02)**
Core Segments EAD per Basic Common Share*	**$ 0.18**
Return on Equity ("ROE") (annualized) [7]	**(22.8) %**
EAD ROE (annualized)*	**(0.7) %**
Core Segments EAD ROE (annualized)*	**12.7 %**

Non-GAAP Financial Measures (Continued)

Reconciliation of GAAP to non-GAAP EAD – Second Quarter 2026[1]

	Three Months Ended June 30, 2026							
$ in millions	Sequoia Mortgage Banking	Aspire Mortgage Banking	CoreVest Mortgage Banking	Redwood Investments	Total Core Segments*	Legacy Investments	Corporate/ Other [2]	Total
GAAP Net Income (Loss)	**$ 31.6**	**$ 7.3**	**$ 1.2**	**$ 0.7**	**$ 40.8**	**$ (23.3)**	**$ (20.4)**	**$ (2.9)**
EAD Adjustments:								
Investment fair value changes, net [3]	—	—	—	10.2	**10.2**	12.3	—	**22.5**
Realized (gains)/losses, net [4]	—	—	—	—	**—**	—	—	**—**
Acquisition related expenses [5]	—	—	2.0	—	**2.0**	—	—	**2.0**
Tax effect of adjustments [6]	—	—	(0.4)	(0.9)	**(1.3)**	—	—	**(1.3)**
Non-GAAP EAD*	**$ 31.6**	**$ 7.3**	**$ 2.8**	**$ 10.0**	**$ 51.7**	**$ (11.0)**	**$ (20.4)**	**$ 20.3**
Adjustment for allocation of Corporate segment [2]	(7.5)	(1.9)	(1.0)	(7.3)	**(17.7)**	(2.7)	20.4	**—**
Non-GAAP EAD* with Allocated Corporate Segment	**$ 24.1**	**$ 5.4**	**$ 1.8**	**$ 2.7**	**$ 34.0**	**$ (13.7)**	**$ —**	**$ 20.3**

GAAP Net Income (loss)	**$ (2.9)**
EAD*	**$ 20.3**
Core Segments EAD*	**$ 34.0**

GAAP Net Income (loss) per Basic Common Share	**$ (0.03)**
EAD per Basic Common Share*	**$ 0.15**
Core Segments EAD per Basic Common Share*	**$ 0.25**

Return on Equity ("ROE") (annualized) [7]	**(1.3) %**
EAD ROE (annualized)*	**9.6 %**
Core Segments EAD ROE (annualized)*	**18.5 %**

Non-GAAP Financial Measures (Continued)

Footnotes:

* Represents a non-GAAP financial measure. Refer to prior "Non-GAAP Financial Measures" section for additional information.

1. Certain totals may not foot due to rounding.
2. Allocation of Corporate Segment is based on the average capital utilized by the segment during the period, which represents management's internal estimate of the average economic capital allocated to support the activities of each segment.
3. Investment fair value changes, net includes all amounts within that same line item in our consolidated statements of (loss) income that are attributable to each segment, which primarily represents both realized and unrealized gains and losses on our investments held in each segment and associated hedges. Realized and unrealized gains and losses on our HEI investments are reflected in a separate line item on our consolidated income statements titled "HEI (loss) income, net".
4. Realized (gains)/losses, net includes all amounts within that line item on our consolidated statements of (loss) income that are attributable to each segment.
5. Acquisition related expenses include transaction costs paid to third parties, as applicable, and the ongoing amortization of intangible assets related to the Riverbend and CoreVest acquisitions.
6. Tax effect of adjustments represents the hypothetical income taxes associated with EAD adjustments used to calculate each segment EAD.
7. ROE consists of consolidated GAAP net income annualized divided by average common equity for the period.

Endnotes



ENDNOTES

Slide 4 (Redwood Connects Housing Finance with the Broader Capital Markets)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Inside Mortgage Finance top 100 Banks by asset size as of October 2026.

Slide 7 (A Strategic Transition is the Next Logical Step in Value Creation for Shareholders)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. RWT will continue to maintain REIT status and operate in compliance with REIT tests/restrictions until filing with the IRS to terminate its REIT status (currently planned for March 2027).
2. BVPS is book value per share. Deferred tax asset estimate of $85 - $90 million based on financial results as of September 30, 2026, and 116.5 million outstanding shares.
3. Assumes the dividend is reset from $0.18 to $0.02 per share for illustrative purposes.
4. At an illustrative $30 million of quarterly taxable income, available NOLs could offset approximately $0.05 to $0.06 per share in quarterly taxes over a multi-year period, until the NOLs are fully utilized.
5. Illustrative pre-tax savings for every 100bps reduction in financing costs across ~$900 million of unsecured debt.

Slide 8 (Our Mortgage Banking Business Has Outgrown the Traditional REIT Structure)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Production by platform reflects Sequoia and Aspire loan locks plus CoreVest fundings; lock volume excludes pipeline fallout; platform figures may not sum due to rounding.

Slide 9 (Our C-Corporation Transition Creates a Clearer Path to Book Value Growth Beginning in 2027)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. BVPS is book value per share. Deferred tax asset estimate of $85 - $90 million based on financial results as of September 30, 2026, and 116.5 million outstanding shares.

Slide 10 (C-Corporation Transition Expected to Lower Our Cost of Capital Over Time)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Wall Street peer comparison as of October 26, 2026. Mortgage REIT "baby bonds" versus originator/servicer high-yield debt. Differences in credit quality, tenor and instrument structure limit direct comparability; not a forecast of Redwood's future cost of capital. mREITs include: CIM, ADAM, MFA, PMT, RWT, AOMR; Originators & Servicers include: RKT, PFSI, UWM, ONIT, LDI.

Slide 12 (Third Quarter 2026 Financial Performance)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Total economic return is based on the periodic change in GAAP book value per common share plus dividends declared per common share during the period, divided by beginning period GAAP book value per common share.

Slide 14 (Core Segments Remained Resilient Amid Increased Volatility)
Source: Company financial data as of September 30, 2026, unless otherwise noted. Market data represents 10-Year Treasury rate per Bloomberg as of September 30, 2026.
1. Bloomberg data as of September 30, 2026.

Slide 15 (Legacy Loan Dispositions Are Accelerating)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Info as of September 30, 2026 – pro forma for loans under contract or expected to be resolved by mid-November 2026. Figures include the loans underlying the bridge loan AFS security and include gross fair value less non-recourse debt.

Slide 16 (Legacy Earnings Reflect Disposition-Related Marks)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Reflects the GAAP EPS for Legacy Investments after Corporate segment allocation.
2. REO Sales reflect UPB as of REO date.

Slide 18 (Robust Securitization Activity with Over $20 billion in issuance YTD)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Ranking based on year-to-date non-agency securitization issuance volume as of September 30, 2026, among bank and non-bank issuers, across the Agency investor, Jumbo, Non-QM, single-family rental (SFR), and Resecuritization markets. Source: Wall Street, Non-Agency Issuance Outstanding, as of 9/30/2026.
2. Total issuance figures include securitizations of retained investments and securitizations out of Joint Ventures. Securitization activity for Sequoia includes $4.0 billion of securitizations YTD as of September 30, 2026, that were issued and redeemed within each respective quarter.

Slide 19 (Proactive Pipeline Management Aligns with Market Conditions)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Mortgage Banking loan activity includes loans held for sale.
2. Represents loans on balance sheet that and not allocated to scheduled sales or securitizations as of November 2, 2026

Slide 20 (Maintaining Expense Efficiency as Production Scales)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Includes loan locks at our Sequoia Mortgage Banking and Aspire Mortgage Banking Segments and loans funded at our CoreVest Mortgage Banking Segment. Lock volume represents loans identified for purchase from loan sellers. Lock volume does not account for potential fallout from pipeline that typically occurs through the lending process.
2. Total Expense excludes non-recurring, one-time items and rental property expense that is recouped with property revenue.

Slide 21 (Sequoia / Aspire Joint Ventures Drive Accretive Capital Efficiency)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Assumes an illustrative $30 billion of annual loans purchased with an approximate 7% loan reserve haircut and 22% haircut for securitizations.

ENDNOTES (Continued)

Slide 22 (Leverage Associated with Fast Turning Assets)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Recourse leverage ratio is recourse debt divided by tangible stockholder equity. At September 30, 2026, recourse debt excluded $25.1 billion of consolidated securitization debt (ABS issued and servicer advance financing), other liabilities and other debt that is non-recourse to Redwood, and tangible stockholders' equity excluded $28 million of goodwill and intangible assets.
2. Average days of loans on balance sheet measures from purchase to disposition.

Slide 23 (Improved Financing Terms Support Growth)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Data excludes a secured financing facility with stated maturity of March 2030.

Slide 24 (Sources of Capital to Drive Incremental Growth & Liability Management)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. JV Activity assumes an illustrative $30 billion of annual loans purchased with an approximate 7% loan reserve haircut. Financing Optimization includes estimated net proceeds from additional structured financing activities forecasted over the next few quarters. Further Legacy Dispositions based on management estimates.

Slide 28 (Sequoia Q3'26 Performance Summary)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Lock volume represents loans identified for purchase from loan sellers. Lock volume does not account for potential fallout from pipeline that typically occurs through the lending process.
2. Includes securitizations of previously retained investments from Sequoia securitizations as well as securitizations that were issued and called within the reporting period.

Slide 29 (Aspire Q3'26 Performance Summary)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Lock volume represents loans identified for purchase from loan sellers. Lock volume does not account for potential fallout from pipeline that typically occurs through the lending process.
2. Bloomberg data as of October 23, 2026.

Slide 30 (CoreVest Q3'26 Performance Summary)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Net Cost to Originate for the CoreVest Mortgage Banking segment is calculated as operating expenses minus fees earned in this segment divided by funding volume of this segment.

Slide 31 (Redwood Investments Q3'26 Performance Summary)
Source: Company financial data as of September 30, 2026, unless otherwise noted.
1. Portfolio cost of funds reflects interest expense relative to UPB.
2. Portfolio Capital Deployed reflects the net deployment into retained investments.

Slide 35 (Appendix: Capital Allocation Summary)
1. Amounts of assets in our Redwood Investments segment, as presented in this table, represent our economic interests (including our economic interests in consolidated VIEs) and do not present the assets within VIEs that we consolidate under GAAP (except for our CAFL Bridge). See our GAAP Balance Sheet and Reconciliation to Non-GAAP Economic Balance Sheet in the Supplemental Financial Tables available on our website for additional information on consolidated VIEs.
2. Consistent with our presentation of assets within this table, non-recourse debt presented within this table excludes ABS issued from certain securitizations consolidated on our balance sheet, including Residential Jumbo (SEMT), BPL Term (CAFL), and HEI, as well as non-recourse debt used to finance certain servicing investments.
3. Capital allocated to mortgage banking operations represents the working capital we have allocated to manage our loan inventory at each of our mortgage banking platforms. This amount generally includes our net capital in loans held on balance sheet (net of financing), capital to acquire / originate loans in our pipeline, net capital utilized for hedges, and risk capital.
4. Corporate capital includes, among other things, capital allocated to RWT Horizons and other strategic investments as well as available capital.

Slide 36 (Appendix: Mortgage Banking Key Results)
1. Capital utilized for CoreVest operations does not include $28 million of platform premium.

Slide 38 (Appendix: Recourse Debt Balances)
1. Non-marginable debt and marginable debt refer to whether such debt is subject to margin calls based solely on the lender's determination in its discretion of the market value of underlying collateral that is non-delinquent. Non-marginable debt may be subject to a margin call due to delinquency or another credit event related to the mortgage or security being financed, a decline in the value of the underlying asset securing the collateral, an extended dwell time (i.e., period of time financed using a particular financing facility) for certain types of loans, or a change in the interest rate of a specified reference security relative to a base interest rate amount, among other reasons.
2. Average borrowing cost represents the weighted average contractual balance of recourse debt outstanding at the end of each period presented and does not include deferred issuance costs or debt discounts.
3. Represents unsecuritized residential consumer loans.
4. Includes certificated mortgage servicing rights.
5. Debt balances are non-marginable unless otherwise noted. Balances are pro forma for our recently announced extension of our CPP Investments and Stone Point Credit secured financing facility.

Glossary of Terms

Term	Definition
Agency NOO	Agency non-owner occupied
ARM	Adjustable rate mortgage
bps	Basis points
CAFL®	CoreVest securitization program
CES	Closed-end second liens
DQ	Delinquency
DSCR	Debt Service Coverage Ratio
EAD	Earnings available for distribution*
EPS	Earnings per share
Expanded Credit	Alternative income documentation
FY	Full year
HEI	Home equity investment
JV	Joint venture
MB	Mortgage banking (refers to Sequoia Mortgage Banking, Aspire Mortgage Banking and CoreVest Mortgage Banking segments)
Non-QM	Non-qualified mortgage

Term	Definition
QM	Qualified mortgage
QoQ	Quarter over quarter (comparison of sequential quarters)
ROC	Return on capital
RTL	Residential transitional loans
SEMT®	Residential Consumer (Sequoia) securitization program
SPIRE	Aspire securitization program
SFR	Single-family rental
UPB	Unpaid principal balance
WA	Weighted average
YoY	Year over year (comparison of same quarter performance over consecutive years)

*Earnings Available for Distribution ("EAD") is a non-GAAP measure. See "Non-GAAP Measures" slides in the Endnotes for additional information and reconciliation to GAAP metrics.