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REDWOOD
TRUST

Redwood Residential Launches New Products to Address Evolving Homeowner Needs

MILL VALLEY, Calif.--(BUSINESS WIRE)-- [Redwood Trust, Inc.](#) (NYSE: RWT; “Redwood” or the “Company”), a leader in expanding access to housing for homebuyers and renters, today announced that Redwood Residential, its residential mortgage banking platform, has launched new expanded product offerings through its Choice program as well as a new product geared towards addressing the growing cohort of self-employed borrowers. Loans for self-employed borrowers will be uniquely structured to meet the Consumer Financial Protection Bureau’s (“CFPB”) Qualified Mortgage (“QM”) definition.

“Redwood has a long and successful history of innovating and providing residential products that address the evolving needs of homeowners,” said Fred Matera, Managing Director and Head of Redwood Residential. “We are excited about the launch of our latest set of expanded products, some of which leverage business and personal bank statements in the underwriting process while still meeting the QM criteria. We have structured these new products to be uniquely differentiated, competitively priced, and promote enhanced liquidity in the private-label securitization market.”

Carlene Graham, Managing Director and Chief Operating Officer of Redwood Residential, added, “Since the beginning of 2021, over 50 million people have voluntarily left their jobs, and there has been a significant increase in the number of people entering self-employment. As interest rates rise, access to homeownership becomes an even bigger challenge, particularly for consumers with strong credit but who do not have traditional salary documentation.”

Redwood Residential continues to demonstrate leadership in support of Redwood’s corporate mission to make quality housing, whether rented or owned, accessible to all American households. By working closely with its large network of loan sellers and other stakeholders, Redwood Residential enables loan originators to offer attractive home loan alternatives to consumers while adhering to Redwood’s long-standing commitment to quality underwriting standards.

About Redwood Trust

Redwood Trust, Inc. (NYSE: RWT) is a specialty finance company focused on several distinct areas of housing credit. Our operating platforms occupy a unique position in the housing finance value chain, providing liquidity to growing segments of the U.S. housing market not well served by government programs. We deliver customized housing credit investments to a diverse mix of investors, through our best-in-class securitization platforms;

whole-loan distribution activities; and our publicly traded shares. Our aggregation, origination and investment activities have evolved to incorporate a diverse mix of residential, business purpose and multifamily assets. Our goal is to provide attractive returns to shareholders through a stable and growing stream of earnings and dividends, capital appreciation, and a commitment to technological innovation that facilitates risk-minded scale. We operate our business in three segments: Residential Mortgage Banking, Business Purpose Mortgage Banking and Investment Portfolio. Additionally, through RWT Horizons™, our venture investing initiative, we invest in early-stage companies strategically aligned with our business across the lending, real estate, and financial technology sectors to drive innovations across our residential and business-purpose lending platforms. Since going public in 1994, we have managed our business through several cycles, built a track record of innovation, and established a best-in-class reputation for service and a common-sense approach to credit investing. Redwood Trust is internally managed, and structured as a real estate investment trust ("REIT") for tax purposes. For more information about Redwood, please visit our website at www.redwoodtrust.com or connect with us on LinkedIn, Twitter, or Facebook.

About Redwood Residential

Redwood Residential is a leading non-Agency correspondent platform that acquires prime jumbo loans from over 150 bank and non-bank third-party originators for subsequent sale, securitization or transfer into Redwood's investment portfolio. Redwood Residential is one of the largest issuers of jumbo private label mortgage-back securities and since 1997, Redwood Residential has issued 119 securitizations for total issuance of approximately \$60 billion through its well-established and highly regarded Sequoia private-label securitization program. Working closely with its seller network, Redwood Residential is committed to quality underwriting standards and continues to maintain loan purchase programs that enable originators to help borrowers achieve homeownership and support Redwood's corporate mission to make quality housing, whether rented or owned, accessible to all American household.

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Investor Relations

Kaitlyn Mauritz

SVP, Head of Investor Relations

Phone: 866-269-4976

Email: investorrelations@redwoodtrust.com

Media Relations

Sard Verbinnen & Co

Email: Redwood-SVC@sardverb.com

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