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Redwood Trust Announces Key Updates to Residential Consumer Operating Platforms

Expansion of Aspire's investment mandate

Update of Redwood's Sequoia brand

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, is pleased to announce updates to its residential consumer operating platforms that reflect the Company's continued commitment to innovation and growth in housing finance.

First, Redwood is expanding the mandate of its home equity platform, Aspire, to include a set of alternative loan products that complement its existing home equity offerings. The broadened mandate is designed to meet growing consumer demand for flexible financing solutions in a period of continued headwinds to overall housing accessibility. The expansion of Aspire comes at a time when demand for non-traditional financing solutions is growing, as persistently higher interest rates and constrained housing supply continue to impede the path to homeownership for many American households.

Aspire intends to source these new loan types through a growing base of origination partners that will enjoy access to both Redwood's core prime jumbo and expanded product set. The new offerings include loans made to consumers who qualify for financing through alternative methods of calculating income, including bank statements and CPA-prepared profit-and-loss statements, as well as debt service coverage ratio ("DSCR") loans to housing investors that complement CoreVest's direct lending capabilities.

"When we launched Aspire a year ago, offering home equity investment options, our goal was clear: to create innovative solutions that advance our mission of expanding housing accessibility for all American households," said Christopher Abate, Chief Executive Officer of Redwood. "The market for alternative loan products continues to grow but remains poised for disruption through technology and common-sense underwriting practices. Redwood has always aimed to address large, underserved areas of the residential market, providing liquidity and operational expertise to support scale in a safe and sound manner. Leveraging our proven track record in the non-Agency market and our extensive network of loan sellers, we are positioned to play a pivotal role in strengthening this vital part of the housing sector."

In addition to the expansion of Aspire, Redwood is unveiling refreshed branding for its industry-leading jumbo loan platform, which going forward will continue to operate under our Sequoia umbrella. For years, the Sequoia name has been synonymous with Redwood's

market-leading securitization shelf under which the Company has issued over 130 transactions. This brand expansion solidifies the platform as the leading non-bank distributor of jumbo loans and reflects the platform's significance to the broader market.

"The past year was a pivotal one for Sequoia," Abate continued. "Amidst muted housing activity, we grew our relevance by significantly expanding our network of loan seller partners, meeting the market share goals we set with our investors. While Sequoia has always been intertwined with Redwood's brand and reputation, we believe it is time for this business to stand on its own. The Sequoia name carries substantial weight with our bond investors, including the world's largest money managers and insurance companies, and we have ambitious plans for its continued growth in 2025."

About Redwood

Redwood Trust, Inc. (NYSE: RWT) is a specialty finance company focused on several distinct areas of housing credit where we provide 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. We operate our business in three segments: Residential Consumer Mortgage Banking, Residential Investor Mortgage Banking and Investment Portfolio. Through RWT Horizons[®], our venture investing initiative, we invest in early-stage companies that have a direct nexus to our operating platforms. Additionally, through Aspire, our home equity investment ("HEI") platform, we directly originate HEI to homeowners. 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. 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.

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