UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 28, 2026

REDWOOD TRUST, INC.
(Exact name of registrant as specified in its charter)

Maryland	**001-13759**	**68-0329422**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

One Belvedere Place
Suite 300
Mill Valley, California 94941
(Address of principal executive offices and Zip Code)

(415) 389-7373
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, par value $0.01 per share	RWT	New York Stock Exchange
10% Series A Fixed-Rate Reset Cumulative Redeemable Preferred Stock, par value $0.01 per share	RWT PRA	New York Stock Exchange
9.125% Senior Notes Due 2029	RWTN	New York Stock Exchange
9.00% Senior Notes Due 2029	RWTO	New York Stock Exchange
9.125% Senior Notes Due 2030	RWTP	New York Stock Exchange
9.50% Senior Notes Due 2030	RWTQ	New York Stock Exchange
9.75% Senior Notes Due 2031	RWTR	New York Stock Exchange

Item 2.02. Results of Operations and Financial Condition;

Item 7.01. Regulation FD Disclosure.

On July 28, 2026, Redwood Trust, Inc. (the "Company") issued a press release announcing its financial results for the quarter ended June 30, 2026, the *Redwood Trust Shareholder Letter – 2nd Quarter 2026* and *The Redwood Review – 2nd Quarter 2026,* copies of which are attached as Exhibit 99.1, Exhibit 99.2 and Exhibit 99.3, respectively, to this current report on Form 8-K.

In addition, on July 28, 2026, the Company made available Supplemental Financial Tables presenting certain financial results for the quarter ended June 30, 2026. A link to the Supplemental Financial Tables is available at the Company's website at http://www.redwoodtrust.com, in the Investor Relations section of the website under "Financials."

The information contained in this Item 2.02 and Item 7.01 and the attached Exhibits 99.2, and 99.3 is furnished to and not filed with the SEC, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit 99.1	Press Release issued July 28, 2026
Exhibit 99.2	Redwood Trust Shareholder Letter - 2nd Quarter 2026
Exhibit 99.3	The Redwood Review – 2nd Quarter 2026
Exhibit 104	Cover Page Interactive Data File (embedded within the inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: July 28, 2026

REDWOOD TRUST, INC.

By: /s/ BROOKE E. CARILLO

Name: Brooke E. Carillo
Title: Chief Financial Officer

Exhibit 99.1

REDWOOD
TRUST

REDWOOD TRUST REPORTS SECOND QUARTER FINANCIAL RESULTS; MORTGAGE BANKING PRODUCTION EXCEEDS $8 BILLION FOR SECOND CONSECUTIVE QUARTER

MILL VALLEY, CA – Redwood Trust, Inc. (NYSE:RWT; "Redwood", the "Company"), a leader in expanding access to housing for homebuyers and renters, today reported its financial results for the quarter ended June 30, 2026.

Second Quarter 2026 Highlights

- On a consolidated basis, GAAP net loss was $(0.03) per basic and diluted common share. Non- GAAP Earnings Available for Distribution ("EAD") was $0.15 per share[(1)], and non-GAAP Core Segments EAD was $0.25[(2)]
    - Variability between consolidated GAAP and EAD results primarily reflects changes in portfolio valuations
- Mortgage Banking[(3)] production exceeded $8 billion for the second consecutive quarter, the second highest quarterly volume in the Company's history and nearly double the same period last year
    - Total Mortgage Banking[(3)] GAAP net income increased 9% from the first quarter 2026; eighth consecutive quarter of 20%+ Return on Capital ("ROC") for our Mortgage Banking platforms[(4)(6)]
    - Adopted a deliberately more cautious operating posture during April and May amid heightened market volatility; momentum improved meaningfully in June, with over 40% of total quarterly volume locked during the final month of the quarter
    - Gross margins remained stable and within targeted ranges across platforms despite elevated market volatility
    - Priced three securitizations in a single week late in the quarter, one for each operating platform, a first in Redwood's history, bringing total securitizations to more than 20 year-to-date
- AI-enabled automation continued to deliver tangible efficiency gains, increasing annualized time savings from 2026 initiatives to approximately 23,600 hours, up more than 50% from the first quarter baseline, with notable impacts on due diligence costs, rate sheet pricing and guideline analysis

Key Financial Second Quarter 2026 Results and Metrics

- GAAP book value per common share was $6.90 at June 30, 2026, compared to $7.12 per share at March 31, 2026
    - Economic return on book value of (0.6)% for the second quarter 2026[(5)]
- GAAP net loss of $(2.9) million or $(0.03) per basic and diluted common share
- Non-GAAP Earnings Available for Distribution ("EAD") of $20.3 million or $0.15 per basic common share[(1)]
- Non-GAAP Core Segments Earnings Available for Distribution ("Core Segments EAD") of $34.0 million, or $0.25 per basic common share[(2)]
- Declared and paid a regular quarterly dividend of $0.18 per common share

“This quarter further reinforced our confidence in the direction of the business. We generated more than $8 billion of mortgage banking production while continuing to prioritize profitability over headline volume. Although market volatility remained elevated through much of the quarter, we adapted our operating posture as conditions evolved and finished the period with strong momentum,” said Christopher Abate, Chief Executive Officer of Redwood Trust. “The business we operate today is fundamentally different than it was only a few years ago. A growing share of our earnings is being generated by our operating platforms, reflecting the strategic investments we've made across the business. We believe continued execution against this strategy will create significant long-term value for shareholders.”

	Three Months Ended	
	6/30/2026	3/31/2026
Financial Performance		
Book Value per Common Share	$ 6.90	$ 7.12
Economic Return on Book Value [5]	(0.6)%	(0.8)%
Net (Loss) Income per Basic Common Share	$ (0.03)	$ (0.07)
Non-GAAP EAD per Basic Common Share (non-GAAP) [1]	$ 0.15	$ 0.21
Non-GAAP Core Segments EAD per Basic Common Share [2]	$ 0.25	$ 0.28
Dividends per Common Share	$ 0.18	$ 0.18

Q2 2026 Segment Highlights [6]

GAAP Segment Net (Loss) Income Results Summary

($ in millions)

	Three Months Ended	
	6/30/2026	3/31/2026
Core Segments:		
Mortgage Banking Platforms:[3]		
Sequoia Mortgage Banking	$ 31.6	$ 37.8
Aspire Mortgage Banking	7.3	2.3
CoreVest Mortgage Banking	1.2	(3.4)
Total Mortgage Banking Platforms	$ 40.1	$ 36.7
Redwood Investments	0.7	(8.0)
Total Core Segments	$ 40.8	$ 28.7
Legacy Investments	$ (23.3)	$ (13.1)
Corporate/Other	$ (20.4)	$ (22.9)
Total GAAP Net (Loss) Income	$ (2.9)	$ (7.3)

Mortgage Banking Platforms[3]

- Total Mortgage Banking platforms[3] GAAP net income of $40.1 million, up 9% from the first quarter 2026
- Generated 33% annualized return on capital ("ROC")[4][6]
- Purchasing power under joint venture partnerships now totals ~$18 billion across our operating platforms, advancing our efforts to reduce capital turn times and scale production volumes with growing, predictable revenue streams

Sequoia Mortgage Banking[6]

- Gain on sale margin of 92 basis points, at the higher end of the Company's target range
- Locked $5.6 billion of loans in the second quarter, reflecting a more measured operating posture during April and May amid heightened market volatility and elevated interest rates[7]
  - New products represented 30% of quarterly lock volume, including hybrid loans, medical professional loans, and closed-end second lien loans
- Distribution activity kept pace with lock volume, with $6.5 billion of loans distributed across securitizations ($5.3 billion) and whole loan sales ($1.2 billion)
  - Investor appetite for Sequoia bonds remained robust with nine securitizations priced during the quarter

    - Began distributing Sequoia loans into our Castlelake joint venture following its launch in April
- Cost per loan of 17 basis points in the second quarter[8], compared to 18 basis points in the first quarter 2026, maintaining operating scale benefits

Aspire Mortgage Banking[6]

- Gain on sale margins of 101 basis points, compared to 73 basis points in the first quarter 2026
- Locked a record $2.1 billion of loans in the second quarter, a 31% increase from the prior quarter[7]
    - At June 30, 2026, Aspire had over 150 active loan sellers, up from 136 active loan sellers at March 31, 2026
- Distributed $1.3 billion of loans through a combination of securitizations ($920 million) and whole loan sales ($393 million)
    - Securitization execution momentum continued with two SPIRE transactions completed in the quarter
    - Subsequent to quarter-end, executed definitive documentation for previously announced joint venture, with potential purchasing power of up to $8 billion of loans

CoreVest Mortgage Banking[6]

- Funded $410 million of loans (55% bridge and 45% term) in the second quarter, a 5% decrease from the first quarter 2026 largely due to higher rate environment impacting the term loan pipeline
- Distributed $375 million of newly-originated loans through whole loan sales, securitizations and sales to a joint venture ("JV")
    - Completed a $268 million CAFL term loan securitization, our first broadly syndicated term loan securitization since 2022, placing bonds with over 20 discrete investors
- Added a new loan servicer that is expected to reduce asset management administrative workload, enhance servicing capabilities, and lower overall servicing costs

Redwood Investments

- Generated a segment GAAP net income of $0.7 million in the second quarter, an improvement of $9 million from the first quarter
    - Results were highlighted by valuation improvements in our retained investments and strong performance from our RWT Horizons portfolio, which positively contributed to earnings for the second consecutive quarter
- Redwood Investments recourse leverage ratio of 0.9x at June 30, 2026[9]

Legacy Investments

- Segment GAAP net loss of $(23.3) million
    - Priced a secured financing arrangement for our remaining HEI portfolio, further enhancing balance sheet flexibility
- Adjusted for activity to date in the third quarter, segment capital allocation now estimated to represent less than 10% of total capital, down from 15% at March 31, 2026
- Legacy Investments recourse leverage ratio of 2.1x at June 30, 2026[10]

Capital and Financing

- Unrestricted cash and cash equivalents of $192 million at June 30, 2026
- Recourse debt of $4.5 billion at June 30, 2026 compared to $4.7 billion at March 31, 2026(11)
    - Recourse leverage of 5.0x, relatively unchanged from the first quarter(12)
- Capital allocation and funding flexibility remained central priorities during the quarter
    - Completed a senior unsecured corporate debt offering
    - Closed a new $500 million warehouse facility to support our Castlelake joint venture, with an additional $1.0 billion of warehouse capacity for this joint venture being negotiated and expected to close in the near term
    - Completed additional warehouse optimization initiatives during the quarter, increasing available capacity, broadening collateral eligibility, and improving funding to support continued growth
        - Total excess warehouse financing capacity of $3.7 billion at June 30, 2026
- Enhanced financing economics across key facilities through tighter spreads and improved advance rates, while continuing to evaluate forward financing solutions to improve bulk purchase, distribution, and collateral financing efficiencies

1. Earnings available for distribution ("EAD"), EAD per share and EAD ROE are non-GAAP measures. See Non-GAAP Disclosures section that follows for additional information on these measures.
2. Core Segments EAD is a non-GAAP measure used to present management's non-GAAP analysis of the combined performance of the Company's mortgage banking platforms and related investments (which consist of the Company's Sequoia Mortgage Banking, Aspire Mortgage Banking, CoreVest Mortgage Banking and Redwood Investments segments), inclusive of an allocated portion of the Company's Corporate segment relating to those Core Segments. Core Segments EAD excludes the Company's Legacy Investments segment and excludes an allocated portion of the Company's Corporate segment relating to the Legacy Investments segment. Core Segments EAD per basic common share and Core Segments EAD ROE are also non-GAAP financial measures and are calculated using Core Segments EAD. See Non-GAAP Disclosures section that follows for additional information on these measures.
3. Mortgage Banking or Mortgage Banking platforms refers to the combined performance or data related to Sequoia Mortgage Banking, Aspire Mortgage Banking and CoreVest Mortgage Banking segments. Production consists of loan locks from Sequoia Mortgage Banking and Aspire Mortgage Banking, as well as loan fundings from CoreVest Mortgage Banking.
4. ROC for the combined Mortgage Banking platforms is a non-GAAP measure calculated as annualized net income for the Company's combined Mortgage Banking platforms, divided by the average capital utilized by the combined Mortgage Banking platforms for the period. Average capital utilized represents management's internal estimate of the average capital deployed to support the activities of these platforms and was $485 million for Q2 2026.
5. Economic return on book value is based on the period change in GAAP book value per common share plus dividends declared per common share in the period.
6. Beginning in the first quarter of 2026, we revised our segment reporting to (i) present Aspire Mortgage Banking as a new reportable segment separate from our Sequoia Mortgage Banking segment and (ii) allocate corporate financing costs and debt to our combined Mortgage Banking platforms (consisting of Sequoia, Aspire and CoreVest Mortgage Banking) and our Redwood Investments and Legacy Investments segments. This change had no impact on the consolidated financial statements and all prior period amounts were conformed to the current presentation.
7. 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.
8. Cost per loan for the Sequoia Mortgage Banking segment is calculated as general and administrative expenses and loan acquisition costs of this segment divided by loan purchase commitments of this segment.
9. Redwood Investments recourse leverage ratio is defined as recourse debt at Redwood Investments divided by capital invested. At June 30, 2026 recourse debt excludes $22.7 billion of consolidated securitization debt (ABS issued and servicer advance financing), other liabilities and other debt at Redwood Investments that is non-recourse to Redwood. Capital invested in our Redwood Investments segment at June 30, 2026 was $804 million.
10. Legacy Investments recourse leverage ratio is defined as recourse debt at Legacy Investments divided by capital invested. At June 30, 2026 recourse debt excludes $243 million of consolidated securitization debt (ABS issued), other liabilities and other debt at Legacy Investments that is non-recourse to Redwood. Capital invested in our Legacy Investments segment at June 30, 2026 was $195 million.
11. At June 30, 2026, and March 31, 2026, recourse debt excluded $23.4 billion and $21.2 billion, respectively, 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 $30 million and $32 million, respectively, of goodwill and intangible assets.
12. Recourse leverage ratio is defined as recourse debt divided by capital invested. At June 30, 2026 recourse debt excludes $23.4 billion of consolidated securitization debt (ABS issued), other liabilities and other debt that is non-recourse to Redwood. Capital invested at June 30, 2026 was $904 million.

Second Quarter 2026 Redwood Review and Supplemental Tables Available Online

A further discussion of Redwood's business and financial results is included in the second quarter 2026 Shareholder Letter and Redwood Review which are available under "Financial Info" within the Investor Relations section of the Company's website at redwoodtrust.com/investor-relations. Additional supplemental financial tables can also be found within this section of the Company's website.

Conference Call and Webcast

Redwood will host an earnings call today, July 28, 2026, at 8:00 a.m. Eastern Time / 5:00 a.m. Pacific Time to discuss its second quarter 2026 financial results. The number to dial in order to listen to the conference call is 1-877-423-9813 in the U.S. and Canada. International callers must dial 1-201-689-8573. A replay of the call will be available through midnight on Tuesday, August 11, 2026, and can be accessed by dialing 1-844-512-2921 in the U.S. and Canada or 1-412-317-6671 internationally and entering access code #13761483.

The conference call will be webcast live in listen-only mode through the News & Events section of Redwood's Investor Relations website at https://www.redwoodtrust.com/investor-relations/news-events/events. To listen to the webcast, please go to Redwood's website at least 15 minutes before the call to register and to download and install any audio software needed. An audio replay of the call will also be available on Redwood's website following the call. Redwood plans to file its Quarterly Report on Form 10-Q with the Securities and Exchange Commission by Monday, August 10, 2026, and also make it available on Redwood's website.

REDWOOD TRUST, INC.

Consolidated Income Statements [(1)] ($ in millions, except share and per share data)	**Three Months Ended**	
	6/30/26	**3/31/26**
Net Interest Income	$ 32.1	$ 34.7
Non-interest income		
Mortgage banking activities, net	32.1	32.0
Investment fair value changes, net	(22.5)	(23.2)
HEI income, net	2.8	7.1
Servicing income, net	2.6	8.0
Fee income, net	3.0	2.9
Other income, net	6.0	2.4
Realized gains, net	—	—
Total non-interest income, net	$ 23.9	$ 29.2
General and administrative expenses	(38.2)	(49.4)
Portfolio management costs	(7.0)	(8.7)
Loan acquisition costs	(6.0)	(6.7)
Other expenses	(4.7)	(7.1)
Benefit from (Provision for) income taxes	(1.1)	2.5
Net (loss) income	$ (1.1)	$ (5.5)
Dividends on preferred stock	(1.8)	(1.8)
Net (loss) income (related) available to common stockholders	$ (2.9)	$ (7.3)
Weighted average basic common shares (thousands)	125,333	124,769
Weighted average diluted common shares (thousands) [(2)]	125,333	124,769
(Loss) Earnings per basic common share	$ (0.03)	$ (0.07)
(Loss) Earnings per diluted common share	$ (0.03)	$ (0.07)
Regular dividends declared per common share	$ 0.18	$ 0.18

(1) Certain totals may not foot due to rounding.

(2) Actual shares outstanding (in thousands) at June 30, 2026 and March 31, 2026 were 125,607 and 125,015, respectively.

REDWOOD TRUST, INC.

Consolidated Balance Sheets [1]

($ in millions, except share and per share data)	6/30/26	3/31/26
Residential consumer loans	$ 23,639	$ 21,300
Residential investor loans	3,125	3,311
Real estate securities	481	476
Home equity investments (HEI)	340	341
Servicing investments	291	300
Strategic investments	97	107
Cash and cash equivalents	192	202
Other assets	654	779
Total assets	**$ 28,818**	**$ 26,816**
Asset-backed securities issued, net	$ 22,516	$ 20,418
Debt obligations, net	4,957	4,867
Other liabilities	412	574
Total liabilities	**$ 27,884**	**$ 25,859**
Stockholders' equity	934	957
Total liabilities and equity	**$ 28,818**	**$ 26,816**
Common shares outstanding at period end (thousands)	125,607	125,015
GAAP book value per common share	$ 6.90	$ 7.12

(1) Certain totals may not foot due to rounding.

Segment Financial Information[(1)(2)]

	Three Months Ended June 30, 2026						
(In Millions)	**Sequoia Mortgage Banking**	**Aspire Mortgage Banking**	**CoreVest Mortgage Banking**	**Redwood Investments**	**Legacy Investments**	**Corporate/ Other**	**Total**
Interest income	$ 58.4	$ 18.1	$ 3.5	$ 301.7	$ 3.3	$ 0.2	$ 385.2
Interest expense	(31.1)	(14.5)	(2.2)	(291.6)	(13.7)	—	(353.2)
Net interest income (expense)	27.3	3.6	1.3	10.2	(10.4)	0.2	32.1
Non-interest income (loss)							
Mortgage banking activities, net	12.9	9.2	9.9	—	—	—	32.1
Investment fair value changes, net	—	—	—	(10.2)	(12.3)	—	(22.5)
HEI income, net	—	—	—	0.5	2.3	—	2.8
Servicing Income, net	—	—	—	2.6	—	—	2.6
Fee Income, net	—	—	2.5	0.5	—	—	3.0
Other income, net	—	—	(0.2)	5.2	1.0	—	6.0
Realized gains, net	—	—	—	—	—	—	—
Total non-interest income, net	12.9	9.2	12.2	(1.4)	(9.0)	—	23.9
General and administrative expenses	(6.1)	(2.8)	(7.7)	(0.9)	—	(20.7)	(38.2)
Portfolio management costs	—	—	—	(3.4)	(3.6)	—	(7.0)
Loan acquisition costs	(2.1)	(1.1)	(2.8)	—	—	—	(6.0)
Other expenses	—	—	(2.0)	(2.3)	(0.4)	—	(4.7)
Benefit from (Provision for) income taxes	0.1	(1.4)	0.3	(0.6)	0.3	0.2	(1.1)
Net Income (Loss)	$ 32.1	$ 7.5	$ 1.3	$ 1.5	$ (23.1)	$ (20.4)	$ (1.1)
Preferred Dividends	(0.5)	(0.2)	(0.1)	(0.8)	(0.2)	—	(1.8)
Net income (loss) available (related) to common stockholders	$ 31.6	$ 7.3	$ 1.2	$ 0.7	$ (23.3)	$ (20.4)	$ (2.9)
Total Assets	$ 2,236.4	$ 835.2	$ 320.7	$ 24,322.0	$ 915.6	$ 188.3	$ 28,818.1

	Three Months Ended March 31, 2026						
(In Millions)	Sequoia Mortgage Banking	Aspire Mortgage Banking	CoreVest Mortgage Banking	Redwood Investments	Legacy Investments	Corporate/ Other	Total
Interest income	$ 61.3	$ 18.4	$ 4.2	$ 268.7	$ 4.0	$ 0.3	$ 356.9
Interest expense	(36.3)	(14.8)	(2.1)	(256.3)	(12.7)	—	(322.2)
Net interest income (expense)	25.0	3.6	2.1	12.4	(8.7)	0.3	34.7
Non-interest income (loss)							
Mortgage banking activities, net	22.1	2.7	7.2	—	—	—	32.0
Investment fair value changes, net	—	—	(0.3)	(15.4)	(7.5)	—	(23.2)
HEI income, net	—	—	—	0.6	6.5	—	7.1
Servicing Income, net	—	—	—	8.0	—	—	8.0
Fee Income, net	—	—	2.8	0.2	(0.1)	—	2.9
Other income, net	—	—	0.6	0.9	1.0	—	2.4
Realized gains, net	—	—	—	—	—	—	—
Total non-interest income, net	22.1	2.7	10.4	(5.8)	(0.1)	—	29.2
General and administrative expenses	(7.0)	(2.5)	(13.0)	(3.4)	—	(23.5)	(49.4)
Portfolio management costs	—	—	—	(4.2)	(4.5)	—	(8.7)
Loan acquisition costs	(2.8)	(1.0)	(2.8)	—	—	—	(6.7)
Other expenses	—	—	(2.0)	(5.1)	—	—	(7.1)
Benefit from (Provision for) income taxes	1.2	(0.3)	2.1	(1.4)	0.6	0.3	2.5
Net Income (Loss)	$ 38.4	$ 2.5	$ (3.3)	$ (7.3)	$ (12.8)	$ (22.9)	$ (5.5)
Preferred Dividends	(0.5)	(0.2)	(0.1)	(0.7)	(0.3)	—	(1.8)
Net income (loss) available (related) to common stockholders	$ 37.8	$ 2.3	$ (3.4)	$ (8.0)	$ (13.1)	$ (22.9)	$ (7.3)
Total Assets	$ 2,573.7	$ 891.5	$ 329.3	$ 21,903.5	$ 945.0	$ 172.7	$ 26,815.8

(1) Certain totals may not foot due to rounding.

(2) Prior period amounts have been conformed to reflect the updated segment structure and allocation of corporate financing costs, enabling comparability with the current period presentation.

Non-GAAP Disclosures

To supplement consolidated and segment financial information prepared and presented in accordance with U.S. generally accepted accounting principles ("GAAP"), the Company also provides Earnings Available for Distribution (“EAD”), EAD Return on Equity ("EAD ROE"), Core Segments Earnings Available for Distribution (“Core Segments EAD”) and Core Segments EAD Return on Equity ("Core Segments EAD ROE") as non-GAAP measures.

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, including the Company’s ability to pay dividends. These measures also assist in evaluating the Company’s ongoing transition to a more scalable and simplified 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.

Earnings Available for Distribution (“EAD”) and EAD ROE are non-GAAP financial measures that the Company has historically reported and continues to use to present management’s non-GAAP analysis of the operating performance of the Company’s different business segments. EAD is defined, as GAAP net income (loss) available (related) to common stockholders, adjusted to (i) exclude investment fair value changes, net; (ii) exclude realized gains and losses; (iii) exclude acquisition-related expenses; (iv) exclude certain organizational restructuring charges, as applicable; and (v) reflect a hypothetical income tax adjustment associated with these items. EAD ROE is defined as EAD divided by average common equity.

Core Segments EAD and Core Segments EAD ROE represent management’s non-GAAP assessment of the combined performance of the Company’s mortgage banking platforms and related investments, which include the Sequoia Mortgage Banking, Aspire Mortgage Banking, CoreVest Mortgage Banking, and Redwood Investments segments (collectively, the “Core Segments”), together with an allocated portion of the Corporate segment attributable to those operations.

Core Segments EAD excludes the Legacy Investments segment and the portion of the Corporate segment attributable to Legacy Investments. Core Segments EAD ROE is calculated as Core Segments EAD divided by the average capital utilized by the Core Segments during the period, which represents management’s internal estimate of the average economic capital allocated to support Core Segments activities.

Non-GAAP Disclosures (continued)

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

($ in millions)	Sequoia Mortgage Banking	Aspire Mortgage Banking	CoreVest Mortgage Banking	Redwood Investments	Total Core Segments [(3)]	Legacy Investments	Corporate/Other [(4)]	Total
	Three Months Ended June 30, 2026							
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 [(5)]	—	—	—	10.2	**10.2**	12.3	—	**22.5**
Realized (gains)/losses, net [(6)]	—	—	—	—	**—**	—	—	**—**
Acquisition related expenses [(7)]	—	—	2.0	—	**2.0**	—	—	**2.0**
Tax effect of adjustments[(9)]	—	—	(0.4)	(0.9)	**(1.3)**	—	—	**(1.3)**
Non-GAAP EAD [(2)]	**$ 31.6**	**$ 7.3**	**$ 2.8**	**$ 10.0**	**$ 51.7**	**$ (11.0)**	**$ (20.4)**	**$ 20.3**
Adjustment for allocation of Corporate segment [(4)]	(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**

Net Income (loss) (GAAP)	**$ (2.9)**
EAD (Non-GAAP)	**$ 20.3**
Core Segments EAD (Non-GAAP)	**$ 34.0**
Net Income (loss) per Basic Common Share (GAAP)	**$ (0.03)**
EAD per Basic common share (Non-GAAP)	**$ 0.15**
Core Segments EAD per Basic Common Share (Non-GAAP) [(10)]	**$ 0.25**
Return on Equity ("ROE") (annualized) [(11)]	**(1.3)%**
EAD ROE (Non-GAAP) (annualized)	**9.6 %**
Core Segments EAD Return on Equity (annualized) ("Core Segments EAD ROE") (Non-GAAP) [(12)]	**18.5 %**

Non-GAAP Disclosures (continued)

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

($ in millions)	Sequoia Mortgage Banking	Aspire Mortgage Banking	CoreVest Mortgage Banking	Redwood Investments	Total Core Segments [3]	Legacy Investments	Corporate/Other [4]	Total
	Three Months Ended March 31, 2026							
GAAP Net Income (Loss)	$ 37.8	$ 2.3	$ (3.4)	$ (8.0)	**$ 28.7**	$ (13.1)	$ (22.9)	**$ (7.3)**
EAD Adjustments:								
Investment fair value changes, net [5]	—	—	—	15.4	**15.4**	7.5	—	**22.9**
Realized (gains)/losses, net [6]	—	—	—	—	**—**	—	—	**—**
Acquisition related expenses [7]	—	—	2.0	—	**2.0**	—	—	**2.0**
Organizational restructuring charges [8]	—	—	5.0	2.1	**7.1**	—	0.3	**7.4**
Tax effect of adjustments [9]	—	—	(1.8)	3.8	**2.0**	0.1	(0.1)	**1.9**
Non-GAAP EAD [2]	**$ 37.8**	**$ 2.3**	**$ 1.8**	**$ 13.3**	**$ 55.2**	**$ (5.5)**	**$ (22.7)**	**$ 27.1**
Adjustment for allocation of Corporate segment [4]	(7.0)	(2.6)	(1.1)	(8.0)	(18.7)	(3.9)	22.7	—
Non-GAAP EAD with Allocated Corporate Segment	**$ 30.8**	**$ (0.3)**	**$ 0.7**	**$ 5.3**	**$ 36.5**	**$ (9.4)**	**$ —**	**$ 27.1**

Net Income (loss) (GAAP)	**$ (7.3)**
EAD (Non-GAAP)	**$ 27.1**
Core Segments EAD (Non-GAAP)	**$ 36.5**
Net Income (loss) per Basic Common Share (GAAP)	**$ (0.07)**
EAD per Basic common share (Non-GAAP)	**$ 0.21**
Core Segments EAD per Basic Common Share (Non-GAAP) [10]	**$ 0.28**
Return on Equity ("ROE") (annualized) [11]	**(3.1)%**
EAD ROE (Non-GAAP) (annualized)	**11.5 %**
Core Segments EAD Return on Equity (annualized) ("Core Segments EAD ROE") (Non-GAAP) [12]	**19.1 %**

1. Certain totals may not foot due to rounding.
2. Earnings Available for Distribution (“EAD”) is a non-GAAP measure that the Company has historically reported and continues to use to present management’s non-GAAP analysis of the operating performance of the Company’s different business segments. EAD is defined, as GAAP net income (loss) available (related) to common stockholders, adjusted to (i) exclude investment fair value changes, net; (ii) exclude realized gains and losses; (iii) exclude acquisition-related expenses; (iv) exclude certain organizational restructuring charges, as applicable; and (v) reflect a hypothetical income tax adjustment associated with these items.
3. Core Segments EAD and Core Segments EAD ROE are non-GAAP measures and are used to present management’s non-GAAP analysis of the combined performance of the Company’s mortgage banking platforms and related investments (which are defined as the "Core Segments" and which consist of the Company’s Sequoia Mortgage Banking, Aspire Mortgage Banking, CoreVest Mortgage Banking and Redwood Investments segments), inclusive of an allocated portion of the Company’s Corporate segment relating to those Core Segments. Core Segments EAD excludes the Company’s Legacy Investments segment and excludes an allocated portion of the Company’s Corporate segment relating to the Legacy Investments segment.

   Core Segments EAD is defined as: GAAP net income (loss) available (related) to common stockholders adjusted to (i) exclude GAAP net loss from the Legacy Investments Segment, (ii) exclude the portion of the Corporate Segment allocation relating to the Legacy Investments segment, (iii) exclude investment fair value changes, net; (iv) exclude realized gains and losses; (v) exclude acquisition related expenses; (vi) exclude certain organizational restructuring charges (as applicable); and (vii) adjust for the hypothetical income taxes associated with these adjustments.

   Refer to footnote 12 below for the definition of Core Segments EAD ROE.
4. 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.

   Beginning in the first quarter of 2026, we revised our segment reporting to allocate corporate financing costs and debt to our Sequoia Mortgage Banking, Aspire Mortgage Banking, CoreVest Mortgage Banking, Redwood Investments and Legacy Investments segments. This change had no impact on the consolidated financial statements and all prior period amounts were conformed to the current presentation.
5. 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 income, net".
6. Realized (gains)/losses, net includes all amounts within that line item on our consolidated statements of (loss) income that are attributable to each segment.
7. 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.
8. Organizational restructuring charges for the first quarter of 2026 represent costs associated with employee severance and related transition expenses.
9. Tax effect of adjustments represents the hypothetical income taxes associated with EAD adjustments used to calculate each segment EAD.
10. Core Segments EAD per basic common share is a non-GAAP measure and is defined as Core Segments EAD divided by basic weighted average common shares outstanding at the end of the period.
11. ROE consists of consolidated GAAP net income annualized divided by average common equity for the period.
12. Core Segments EAD ROE is a non-GAAP measure and is defined as Core Segments EAD annualized divided by average capital utilized by the Core Segments of $737 million and $762 million for the three months ended June 30, 2026 and March 31, 2026, respectively. Average capital utilized is management's internal estimate of the average economic capital allocated to support the activities of the Core Segments.

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, joint ventures and our publicly traded shares. We operate through three core residential housing-focused operating platforms — Sequoia, Aspire, and CoreVest — alongside our complementary Redwood Investments portfolio which is primarily composed of assets we source through these platforms. Redwood Investments also includes RWT Horizons®, our unified technology platform spanning internal AI innovation and strategic investments across the ecosystem, which supports our efforts to develop an AI-first operating model that enables compounding operational leverage and scalable growth. This reflects how we manage and organize our business and may differ from the manner in which our reportable segments are presented for financial reporting purposes.

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.

Cautionary Statement; Forward-Looking Statements:

This press release and the related conference call contain forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements regarding the expected timing for the filing of Redwood's Quarterly Report on Form 10-Q. Forward-looking statements involve numerous risks and uncertainties. Redwood's actual results may differ from Redwood's 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 our Annual Report on Form 10-K for the year ended December 31, 2025 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 we file with the Securities and Exchange Commission, including reports on Forms 10-K, 10-Q and 8-K. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

CONTACTS
Investor Relations
Phone: 866-269-4976
Email: investorrelations@redwoodtrust.com

Exhibit 99.2

REDWOOD
TRUST

Shareholder Letter

Second Quarter 2026



Dear Fellow Shareholders,

Redwood exceeded $8 billion of mortgage banking volume[1] for the second straight quarter and completed over 20 securitizations in the first half of the year – noteworthy feats given an anemic U.S. housing market and the recent uptick in mortgage rates associated with inflationary pressures stemming from the conflict in Iran. Importantly, we generated 40% of our total second quarter volume in June alone as markets stabilized, while maintaining strong loan sale margins throughout the quarter. Activity thus far in July remains strong.

Broadly speaking, it's no secret that the housing finance business has been a lot less forgiving for the current generation of mortgage practitioners – the first in over 40 years not to benefit from a long-term bull market in interest rates that was a tailwind for both the lucky and the smart. Affordability and supply headwinds – both closely linked to rates and regulation – have impacted the addressable market and how mortgage businesses fundamentally operate. Today's environment requires higher operating efficiency and capital turnover, and a deep strategic moat that drives growth in a housing market still operating at multi-decade lows in volume. As investors seek to align with the long-term winners of this extended rate cycle, we're prioritizing a few key differentiators that are worth your focus.

- *Our business is quickly distinguishing itself as a tech-forward operator, leveraging both organic and partnership-based AI investment to drive revenues and cost efficiencies*

  Our commitment to technology is converting to measurable operating leverage, resulting in a significant return on investment. Direct operating expenses were 64 basis points as a percentage of first-half 2026 volume, a 28% improvement from full-year 2025, helping drive an eighth consecutive quarter of combined annualized mortgage banking returns[2] north of 20%. Our estimated annualized time savings from AI-enabled automation initiatives grew to approximately 23,600 hours as of June 30, 2026, an increase of more than 50% over the first quarter baseline, with notable effects on due diligence costs, rate sheet pricing and guideline analysis. We also extended the unified technology platform supporting our Sequoia and Aspire businesses to roll out home equity lines of credit (HELOCs) as a new Sequoia product, advancing horizontal scale across the residential franchise and further deepening our product suite.

This Shareholder Letter contains time-sensitive information and may contain forward-looking statements. The information contained herein is only accurate as of July 28, 2026. We undertake no obligation to update or revise the information contained herein, including forward-looking statements, whether as a result of new information, future events, or otherwise. Additional detail regarding the forward-looking statements in this Shareholder Letter and the important factors that may affect our actual results are described at the end of this Shareholder Letter under the heading "Forward-Looking Statements."

[1] Mortgage banking refers to the combined performance or data related to Sequoia Mortgage Banking, Aspire Mortgage Banking and CoreVest Mortgage Banking segments.

[2] ROC for the combined Mortgage Banking platforms is a non-GAAP measure calculated as annualized net income for the Company's combined Mortgage Banking platforms, divided by the average capital utilized by the combined Mortgage Banking platforms for the period. Average capital utilized represents management's internal estimate of the average capital deployed to support the activities of these platforms and was $485 million for Q2 2026.

Beginning in the first quarter of 2026, we revised our segment reporting to allocate corporate financing costs and debt to our combined Mortgage Banking platforms (consisting of Sequoia, Aspire and CoreVest Mortgage Banking) and our Redwood Investments and Legacy Investments segments. This change had no impact on the consolidated financial statements and all prior period amounts were conformed to the current presentation.

RWT Horizons – our homegrown venture investing platform – also continued to deliver value. Representing less than 2% of our capital, Horizons gives us direct access to over 25 early-stage portfolio companies creating value across the mortgage and AI ecosystems. This includes a recent investment in Prometheus[3], an artificial intelligence company developing an "artificial general engineer" to automate the design and manufacture of complex physical systems. Additionally, one of our early-stage AI portfolio companies is poised to price a follow-on round that values our initial seed investment at approximately 27 times our cost – an implied gain that alone represents close to 20% of Horizons' capital. These outcomes validate the current strategy underpinning RWT Horizons: investing in companies at the frontier of artificial intelligence. Our dual approach of AI adoption and direct investment will remain a long-term differentiator for Redwood, driving operating leverage in a capital-efficient manner.

- *We believe our business is optimally positioned for an evolution in bank behavior driven by the Basel III Endgame regulatory capital guidelines*

In the second quarter of 2026, large money center banks surprised the market with significant second quarter 2026 volume gains in their mortgage operations – ranging from 25-30% – in what we believe was a relatively static production environment versus earlier in the year. Revenues were flat and margins were lower, however, implying a lean-in on market share by larger depositories. While these trends potentially indicate a temporary front-running of the final Basel rules, it's worth remembering that it was asset/liability stress – not credit – that precipitated the run on regional banks three short years ago. As such, after significant spadework, Redwood has emerged as the only mortgage capital partner to many of the largest regional banks and is currently active with over 70% of the top 50 banks overall. These banks prefer to sell us loans because they can generate fee income and grow their client base without assuming significant interest rate exposure on their balance sheet – all with a partner interested only in the loan, not the customer.

But our second quarter progress with large depositories underscores another emerging tailwind for our business – namely, "two-way flow" in which banks are both buyers and sellers depending on their specific business drivers. Apropos, in July we locked a ~$450 million bulk whole loan sale to a large regional bank, helping round out our distribution efforts on top of a continued brisk securitization calendar for our platforms. These relationships represent a core value driver of our franchise, are difficult and expensive to replicate, and position us as a balance sheet optimizer for banks regardless of how the Basel rule changes affect them.

- *Our suite of mortgage banking products is unparalleled and cushions us against traditional volume and margin cyclicality*

At Sequoia, new mortgage products represented 30% of quarterly lock volume, including hybrid loans, medical professional loans, and closed-end second lien loans, providing important durability of margins

[3] Investment through Frontiers Capital.

while substantially broadening our investor base. Meanwhile, Aspire, launched only 18 months ago, achieved over 30% sequential growth in volume in the second quarter, cresting $2 billion in locks across an array of expanded-credit products that serve an evolving American workforce. CoreVest, whose products are exclusively geared towards investors who build, renovate, or rent out residential homes, is gaining momentum in its core smaller-balance offerings. And with the passing of the landmark “21st Century ROAD to Housing Act”, a major bipartisan legislative bill aimed at lowering housing costs and emphasizing ways to increase the supply of homes in the United States, there is finally legislative clarity that offers CoreVest new greenspace to pursue opportunities such as Build-for-Rent that had been largely paused as this legislation moved through Congress. CoreVest's long-standing focus on experienced sponsors operating below the largest institutional segment continues to differentiate the platform and positions us well as activity reaccelerates.

- *We’ve secured premier institutional capital partnerships for the assets we source or create, enabling our business to significantly scale as the housing market recovers*

  Capital allocation and funding flexibility remain strategic priorities, and we continue to build on the success of our CPP Investments relationship to bring accretive outside capital into our ecosystem. In the second quarter, we began distributing Sequoia loans into our Castlelake joint venture and, early in the third quarter, executed definitive documentation for a strategic joint venture recently announced to support Aspire's continued growth. In sum, these joint ventures now provide in excess of $1.2 billion of dedicated strategic capital supporting scale at our mortgage banking businesses with growing and predictable revenue streams. Most importantly, they position us to continue growing our highest returning operating businesses without overreliance on traditional mortgage capital sources.

- *Our depth of products and distribution – coupled with our best-in-class seller network – means our business is levered to a recovery in housing market activity without a reliance on customer recapture assumptions embedded in today’s record high mortgage servicing (“MSR”) valuations*

  In many respects, high MSR values have “pulled forward” future earnings for many residential loan originators, which will require very high customer retention over time to support current MSR valuations. Our model entails reliably serving our broad network of loan originators time and time again without overreliance on any particular partner. In the second quarter of 2026, we purchased loans from 187 distinct sellers, with average concentration per seller of less than 1%. Furthermore, retained MSRs represented less than 7% of our assets at June 30, 2026, as compared to a typical non-bank originator, averaging closer to 30%. In this regard, we operate similarly to Fannie Mae and Freddie Mac, whose primary business is to aggregate and securitize residential loans rather than originate or service them. In an era of tech disruption and AI driven strategies focused on customer retention, betting on our broad network rather than any particular loan seller to support our growth remains an important differentiator of our franchise.

- *The durability of our core earnings drivers is becoming increasingly more apparent, even as we work to complete the winddown of our legacy portfolio*

  Seasonally, Redwood's combined first half mortgage banking volumes were nearly double the same period last year and gross margins on this volume remained on the high end of our targeted 75 to 100 basis point range, in contrast to the broader industry backdrop. We believe our results demonstrate that disciplined market share growth and strong profitability are not mutually exclusive, as reflected in the 33% annualized return on capital[2] generated by our combined mortgage banking platforms during the second quarter.

  Our overall second quarter financial results reflected this measured approach but also the broader operating environment as improving market conditions in June supported a strong finish for mortgage banking and a partial recovery in asset values. Our non-GAAP Core Segments Earnings Available for Distribution ("Core Segments EAD")[4] was $0.25 per share, as compared to $0.28 per share in the first quarter, reflecting marginally lower mortgage banking volumes, partially offset by decreased general and administrative and portfolio management costs. GAAP book value per share was $6.90 at June 30, 2026, down approximately 3% from $7.12 per share at March 31, 2026, driven principally by loan resolutions, mark-to-market changes, and ongoing carry costs within our Legacy Investments portfolio.

- *Our earnings power will be unlocked as we complete the wind-down of our legacy portfolio, with up to $200 million of recoverable capital that can be reinvested into our high-yielding operating businesses, or to buy back stock at historically accretive levels*

  One year after announcing the accelerated wind-down of our legacy portfolio, we continued making meaningful progress simplifying the balance sheet and reducing non-core exposures. Over the past year, secured financings have unlocked significant capital from these positions in tandem with dispositions; pro forma for activity thus far in the third quarter, the legacy portfolio (all of which is carried at fair value) is now estimated to represent less than 10% of total capital, down from 15% at March 31, 2026. We have also recently commenced broad marketing of a substantial amount of remaining legacy loans, while also advancing a structured sale workstream alongside regular-way dispositions. Together, these initiatives are intended to further reduce legacy portfolio exposure, improve balance sheet flexibility, and redeploy capital toward our core operating businesses and/or other accretive deployments.

[4] Core Segments EAD is defined as: GAAP net income (loss) available (related) to common stockholders adjusted to (i) exclude GAAP net loss from the Legacy Investments segment, (ii) exclude the portion of the Corporate segment allocation relating to the Legacy Investments segment, (iii) exclude investment fair value changes, net; (iv) exclude realized gains and losses; (v) exclude acquisition related expenses; (vi) exclude certain organizational restructuring charges (as applicable); and (vii) adjust for the hypothetical income taxes associated with these adjustments.

At quarter-end, our common shares continued to trade at a historically attractive entry point, including a discount to June 30, 2026 book value that is close to twice the remaining capital in our Legacy Investments segment. As further detailed in this quarter's Redwood Review, we believe every $100 million of capital unlocked from the legacy book is 200 to 400 basis points accretive per annum to our consolidated ROE when redeployed into our operating businesses – and significantly accretive to book value if used towards the remaining ~$110 million available under our current share repurchase authorization.

In short, the business we operate today is fundamentally different than it was only a few years ago. Better tech and operating efficiency, more comprehensive products, more diversified distribution channels, and deeper capital partnerships position Redwood to continue growing through a wide range of market environments while creating long-term value for our shareholders. More broadly, housing finance is approaching another period of structural evolution. Whether through changes to bank capital rules, broader housing finance reform or the continued expansion of private capital, the common theme is the growing importance of flexible, solutions-oriented market participants.

We believe Redwood is uniquely positioned at the intersection of these trends. Thank you for your continued support.

Christopher J. Abate Chief Executive Officer	Dashiell I. Robinson President	Brooke E. Carillo Chief Financial Officer

REDWOOD

TRUST

Note to Readers

We file annual reports (on Form 10-K) and quarterly reports (on Form 10-Q) with the Securities and Exchange Commission. These filings, our Redwood Review presentation and our earnings press releases provide information about Redwood and our financial results in accordance with generally accepted accounting principles (GAAP). These documents, as well as information about our business and a glossary of terms we use in this and other publications, are available through our website, www.redwoodtrust.com. We encourage you to review these documents. Within this document, in addition to our GAAP results, we may also present certain non-GAAP measures. When we present a non-GAAP measure, we provide a description of that measure and a reconciliation to the comparable GAAP measure within the Non-GAAP Measures section of the Endnotes to the Redwood Review, which can be found on our website, www.redwoodtrust.com, under “Financials” within the “Investor Relations” section. References herein to “Redwood,” the “company,” “we,” “us,” and “our” include Redwood Trust, Inc., and its consolidated subsidiaries. Note that because we generally round numbers in tables to millions, except per share amounts, some numbers may not foot due to rounding. References to the “first quarter” refer to the quarter ended March 31, 2026, and references to the “second quarter” refer to the quarter ended June 30, 2026, unless otherwise specified.

Cautionary Statement; Forward-Looking Statements

This shareholder letter may contain forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve numerous risks and uncertainties. Our actual results may differ from our 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,” "could" and similar expressions or their negative forms, or by references to strategy, plans, goals, or intentions. These forward-looking statements are subject to risks and uncertainties, including, among other things, those described in our Annual Report on Form 10-K under the caption “Risk Factors.” Other risks, uncertainties, and factors that could cause actual results to differ materially from those projected are described below and may be described from time to time in reports we file with the Securities and Exchange Commission, including reports on Forms 10-K, 10-Q, and 8-K. We undertake no obligation to update or revise forward-looking statements, whether as a result of new information, future events, or otherwise.

Statements regarding the following subjects, among others, are forward-looking by their nature: statements we make regarding Redwood's business strategy and strategic focus; statements related to our financial outlook and expectations for 2026 and future years; statements regarding expected efficiency gains from AI and technology initiatives, potential unrealized gains on an investment at an RWT Horizons portfolio company, opportunities arising from the “Basel Endgame”, and capital and earnings power than can be unlocked as we complete the wind down of our Legacy Investments portfolio.

REDWOOD

TRUST


Exhibit 99.3
Q2 2026 Redwood Review
July 28, 2026
REDWOODTRUST.COM
REDWOOD TRUST

Cautionary Statement/ Forward-Looking Statements

This presentation contains forward-looking statements, including statements regarding our 2026 forward outlook and strategic priorities, key drivers to increase earnings, book value, mortgage banking volumes and market share and statements regarding potential acquisition volumes and estimated returns for our joint ventures, estimated returns on capital redeployed from legacy investments to core segments, and potential unrealized gains on an investment at an RWT Horizons portfolio company.

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.

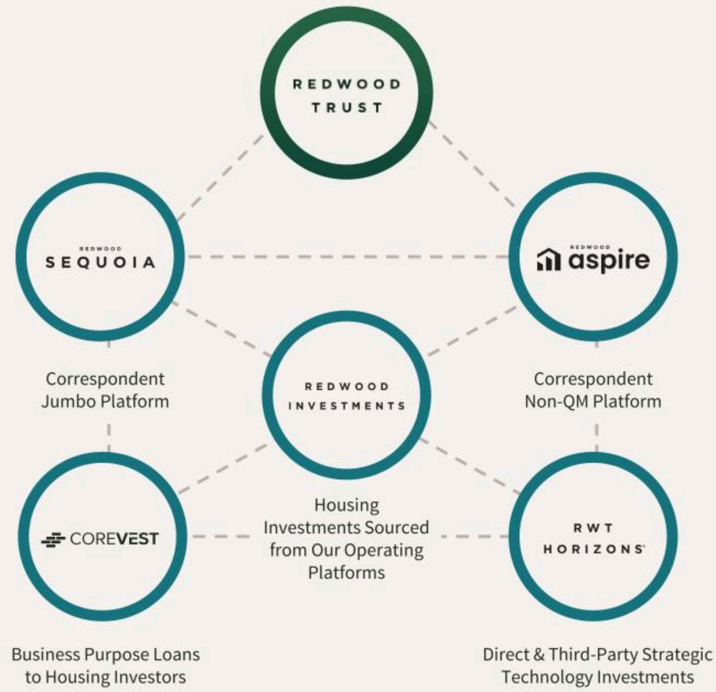
Additionally, this presentation contains estimates and information concerning our industry, including market size and growth rates of the markets in which we participate, that are based on industry publications and reports. This information involves many assumptions and limitations, and you are cautioned 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.

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



WHY REDWOOD?

We are the Leading Alternative to the GSEs in the Private Sector

FANNIE / FREDDIE

- Standard-bearer for mortgage market liquidity
- Governance framework focused on prudent profitability
- Widely-adopted loan size, credit & underwriting standards
- 140+ Year Combined Track Record
- Mission Focused

REDWOOD TRUST

- Standard-bearer for private market liquidity
- Not an active GSE originator/ servicer
- Not a bank
- Redwood MBS sets mortgage rates for most non-Agency originators
- 32 Year Track Record (NYSE: RWT)
- Mission Focused

Redwood's Mission is to make quality housing – whether rented or owned – accessible to all American households

Redwood's Market Leading Housing Platform

210+
Securitizations Across Products
including 25 in H1'26[1]

With more issuance than any other bank or non-bank participant (not including GSEs), **Redwood is the #1 Non-Bank Distributor of Jumbo & Non-QM Loans**[3]

IMN
Lender of the Year

CoreVest named leading industry lender to homebuilders and developers — directly improving America's housing stock

$170BN+
LTD Production
<0.05% LTD Credit Losses[2]

#1 Private Label Aggregator with the Market's Broadest Product Suite: Prime, Alternative Document, Housing Investors, Medical Professionals, Second Liens

Over 30
Discrete Investments

RWT Horizons is the **leading AI & fintech investor** working with the industry's most innovative companies

~334%
Total Shareholder Return Since Inception

$2.6BN
Cumulative Dividends Since Inception

Detailed Endnotes are included at the end of this presentation.

Diverse Capital Base Supports Continued Growth

Joint venture partnerships provide more than **$1.2 billion** of dedicated strategic capital supporting each of our three operating platforms

TOTAL CAPITAL(1)

ANNUAL TOTAL VOLUME POTENTIAL(2)

REDWOOD TRUST'S JOINT VENTURES

SEQUOIA + CASTLELAKE

Serving markets and borrowers not eligible for government-sponsored programs

COREVEST + CPP

Originating loans on residential investment properties

ASPIRE + Private Credit Partner

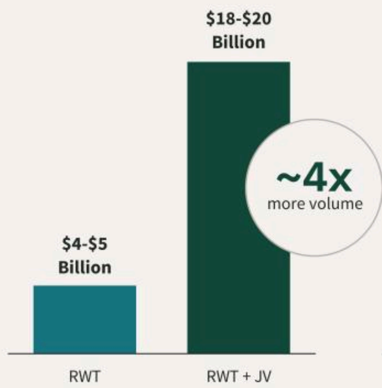
Providing home finance solutions for underserved borrowers

Detailed Endnotes are included at the end of this presentation.

Joint Venture Partnerships Drive Higher Volume and Overall Returns

Joint venture partnerships allow Redwood to distribute loans faster, reducing the amount of capital we need to hold loans on balance sheet and increasing the amount of loans we can produce per dollar of capital

VOLUME PER $100 MILLION OF RWT CAPITAL



ESTIMATED RETURN ON CAPITAL INVESTED[1]

ESTIMATED DAYS ON BALANCE SHEET

Detailed Endnotes are included at the end of this presentation.

Second Quarter 2026 Financial Performance

CONSOLIDATED EARNINGS AND RETURNS

($0.03)
Consolidated GAAP EPS

(3.0%)
BVPS QoQ Change

$0.25
Non-GAAP Core Segments EAD EPS*

18.5%
Non-GAAP Core Segment EAD ROE*

GAAP RETURNS

- **(1.3%)** GAAP ROE
- **(0.6%)** Total Economic Return(1)

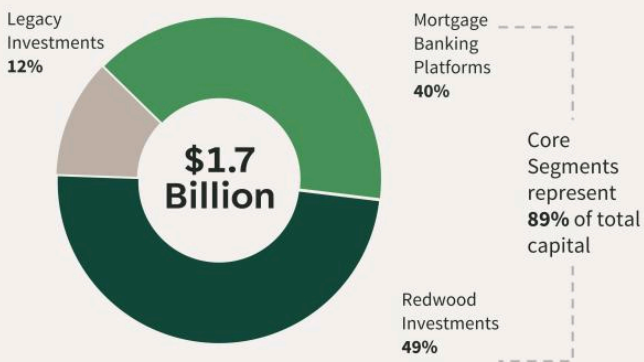
BOOK VALUE AND COMMON DIVIDEND

- **$6.90** Book Value Per Share
- **$0.18** Dividend Per Share
- **15.2%** Indicative Dividend Yield(2)

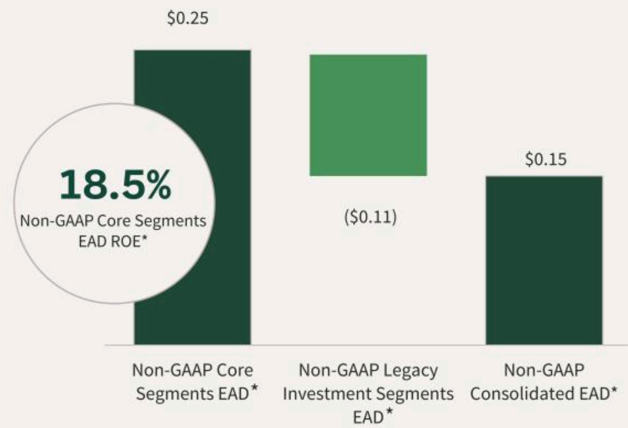
*Non-GAAP Core Segments EAD EPS and Non-GAAP Core Segments EAD ROE are non-GAAP measures. See "Non-GAAP Disclosures" slides for additional information.
Detailed Endnotes are included at the end of this presentation.

Second Quarter 2026 Financial Performance (Continued)

SEGMENT CAPITAL COMPOSITION



NON-GAAP CORE SEGMENTS EAD PER SHARE

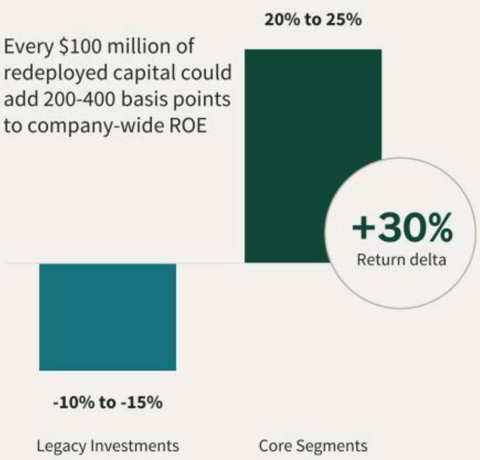


Note: Mortgage Banking refers to the combined performance or data related to Sequoia Mortgage Banking, Aspire Mortgage Banking and CoreVest Mortgage Banking segments.
*Non-GAAP Core Segments EAD ROE, Non-GAAP Core Segments EAD, Non-GAAP Legacy Investments Segment EAD and Non-GAAP Consolidated EAD are non-GAAP measures.
See "Non-GAAP Disclosures" slides for additional information.

Redeploying Capital From Legacy Investments Grows Earnings

ESTIMATED RETURNS

Every $100 million of redeployed capital could add 200-400 basis points to company-wide ROE

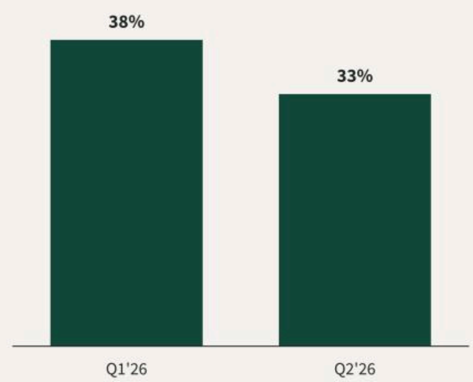


CAPITAL ALLOCATION TO LEGACY INVESTMENTS SEGMENT

Strong Performance Amid Market Volatility

10-YEAR TREASURY VS. RWT MORTGAGE BANKING VOLUME[1]

RWT MORTGAGE BANKING ROC*



Note: Mortgage Banking refers to the combined performance or data related to Sequoia Mortgage Banking, Aspire Mortgage Banking and CoreVest Mortgage Banking segments.
* ROC is a non-GAAP measure. See "Non-GAAP Disclosures" slides for additional information.

Record Securitization Activity in 1H'26 – over $10 billion in issuance

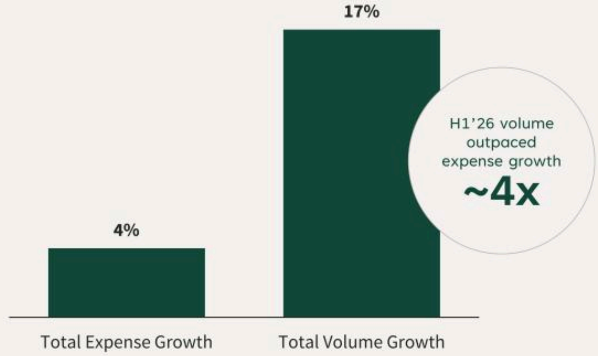
Securitization activity Year-to-Date:

- 20 SEMT deals for a total issuance of $11.3 billion[1]
- 3 SPIRE deals for a total issuance of $1.3 billion
- 2 CAFL deals for a total issuance of over $500 million
- $165 million of transfers to existing CAFL RTL deals

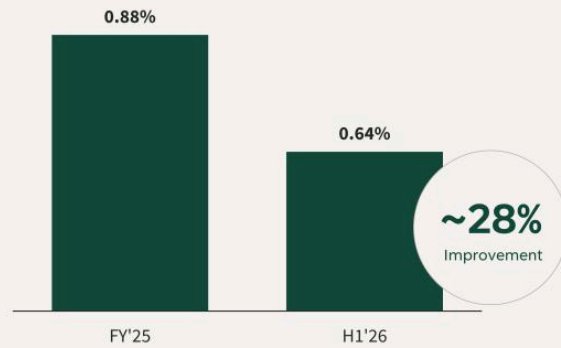
Detailed Endnotes are included at the end of this presentation.

Continued Efficiency Gains as Production Scales

TOTAL VOLUME[1] AND EXPENSE CHANGE[2]
(H2'25 vs. H1'26)



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



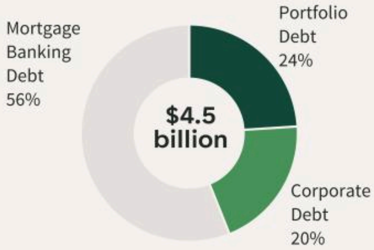
Detailed Endnotes are included at the end of this presentation.

Leverage Associated with Fast Turning Assets

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

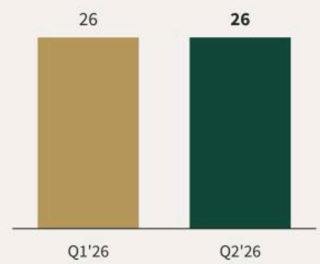
- Rapid capital turnover across distribution channels accelerates deleveraging through cash generation
- Loans on balance sheet for an average of 26 days as of June 2026[1]

SEGMENT RECOURSE LEVERAGE COMPOSITION



RECOURSE LEVERAGE BY DAYS ON BALANCE SHEET[2]

AVERAGE DAYS ON BALANCE SHEET[1]

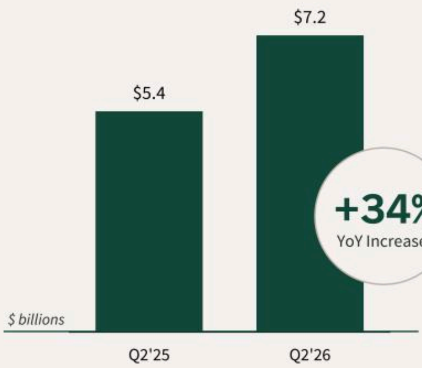


Note: Mortgage Banking refers to the combined performance or data related to Sequoia Mortgage Banking, Aspire Mortgage Banking and CoreVest Mortgage Banking segments.
Portfolio refers to Redwood Investments and Legacy Investments segments.
Detailed Endnotes are included at the end of this presentation.

Improved Financing Terms Support Growth

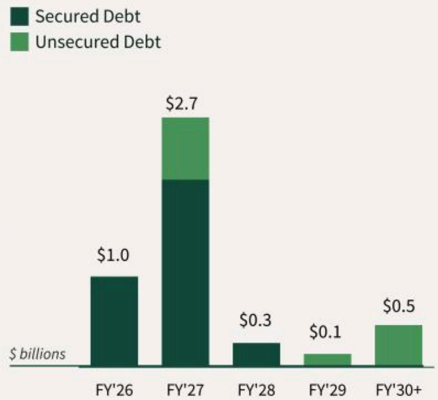
WAREHOUSE CAPACITY[1]

Renewed $4.4 billion of capacity since Q2'25



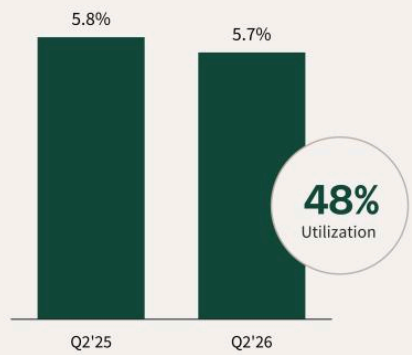
SCHEDULED MATURITIES

No corporate unsecured maturities for 5 quarters



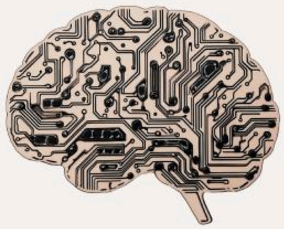
COST OF FUNDS[2]

Average warehouse financing costs are essentially flat



Detailed Endnotes are included at the end of this presentation.

RWT Horizons: Compounding AI Efficiencies in Q2'26



- Deployed AI-engines that deliver unified loan-level pricing and underwriting support functions across bulk and flow channels
- Deployed AI-enabled automation lowering due diligence costs, and improving guideline analysis
- Extended the unified technology platform supporting our Sequoia and Aspire businesses to enable HELOCs as a new Sequoia product

AI IMPACT BY THE NUMBERS

23,600+
Annualized hours saved from AI-enabled automations

50%+
Increase in operational efficiencies over Q1' 26 baseline

30%
Increase in enterprise-wide AI adoption over Q1' 26

15-20%
Individual efficiencies gained across operations teams

Partnering with AI Across the Ecosystem

An early-stage AI company from our existing portfolio priced an oversubscribed financing round that values our initial seed investment at approximately 27 times cost.

NOTABLE INVESTMENTS IN AI START-UPS

Engramme *

Building the API for human memory to endow humans with perfect, infinite memory.

Project Prometheus *

Building Artificial General Engineers, founded by Jeff Bezos

NeoCognition *

Building Specialized Intelligence, founded by academia at Ohio State University

OTHER PORTFOLIO INVESTMENTS

hiddenweights* · Sentient* · Closinglock

Purlin · Cortex · Beams* · Dwellsy*

TrustPoint AI · Crosslayer Labs* · FUTUREPROOF

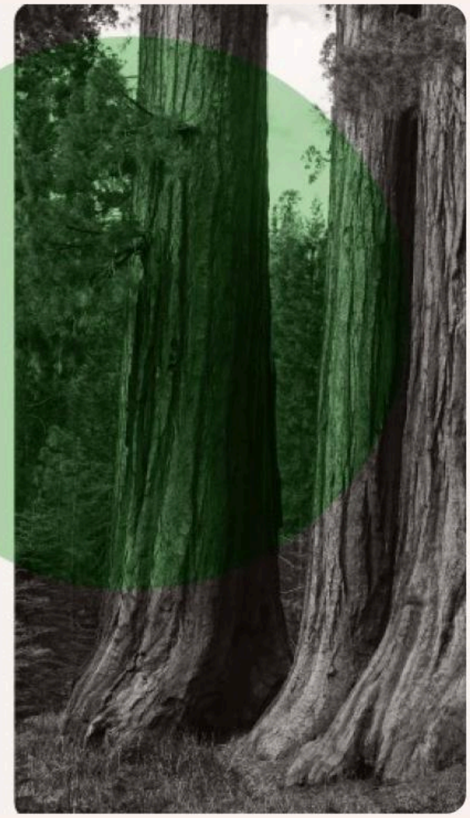
bonus · RENTROOM · FLOCK · Rigor*

rentbutter · Haven · Tongo · LiquidFi

amenify · LeaseLock · freemodel · Laminr

*These investments were made through an investment in Frontiers Capital

Second Quarter 2026 Earnings & Segment Results



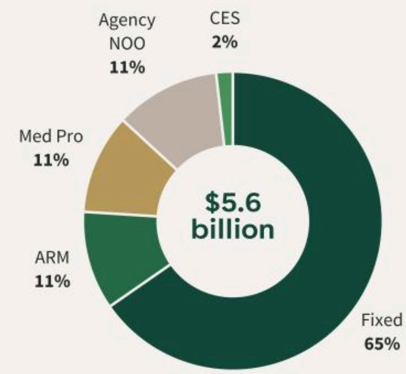
Sequoia Q2'26 Performance Summary

REDWOOD'S PRIME RESIDENTIAL CORRESPONDENT PLATFORM

- $5.6 billion lock volume represents 70% YoY growth and 2nd highest quarterly volume(1)
- 30%+ lock volume from newly launched products
  - HELOC program announced in May and ramping
- $6.5 billion of distribution activity kept pace with lock volume, including 9 securitizations(2)

QUARTER OVER QUARTER LOCK VOLUME(1)

Q2'26 LOCK VOLUME PRODUCT MIX(1)



Detailed Endnotes are included at the end of this presentation.

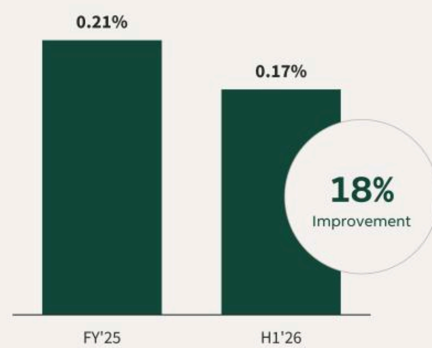
Sequoia Q2'26 Performance Summary (Continued)

MARGIN AND COST HIGHLIGHTS

- 0.92% gain on sale margin[1] remained at the high-end of historical target range
- 0.17% cost per loan; 18% improvement from 2025[2]

GAIN ON SALE MARGIN[1]

COST PER LOAN[2]



Detailed Endnotes are included at the end of this presentation.

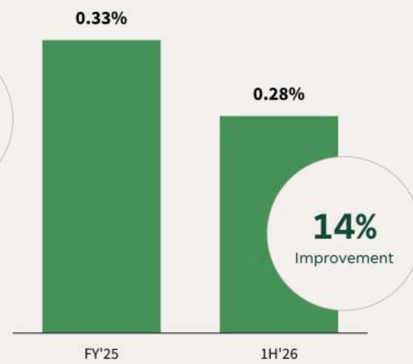
Aspire Q2'26 Performance Summary

REDWOOD'S NON-QM CORRESPONDENT PLATFORM

- Q2'26 lock volume of $2.1 billion[1]
- Cost per loan of 0.27% in Q2'26 improved 10% QoQ[2]
- Active network of over 150 sellers
- Well-balanced channel mix, with Flow representing ~70% of volume and Bulk contributing ~30%

QUARTER OVER QUARTER LOCK VOLUME[1]

COST PER LOAN[2]



Detailed Endnotes are included at the end of this presentation.

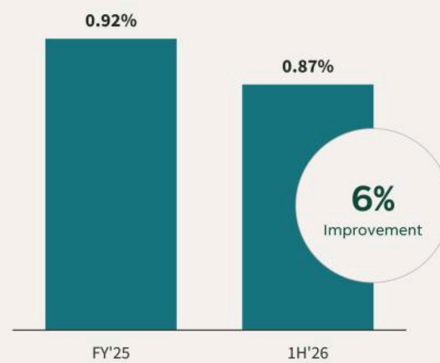
CoreVest Q2'26 Performance Summary

REDWOOD'S HOUSING INVESTOR LOAN PLATFORM

- Q2'26 funded volume of $410 million
  - Maintained pipeline integrity throughout 1H'26 in a higher rate environment
  - Launched targeted business development initiative to expand lead generation
- Distributed $375 million of loans through direct sales, securitizations and JV transfers
- Closed CAFL 2026-1, a $268 million term loan securitization with nearly 4x oversubscription

FUNDED VOLUMES

NET COST TO ORIGINATE[1]



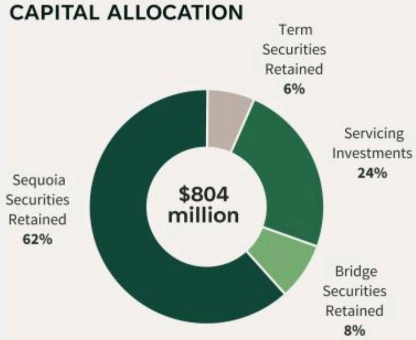
Detailed Endnotes are included at the end of this presentation.

Redwood Investments Q2'26 Performance Summary

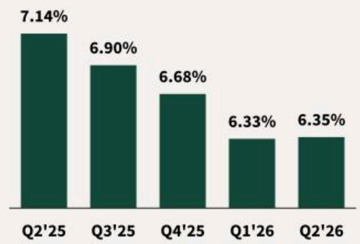
INVESTMENTS SOURCED DIRECTLY FROM OUR OPERATING PLATFORMS

- $72 million of capital deployed into retained investments created from second quarter securitization activity
- GAAP net income of $0.7 million, an improvement of $9 million QoQ

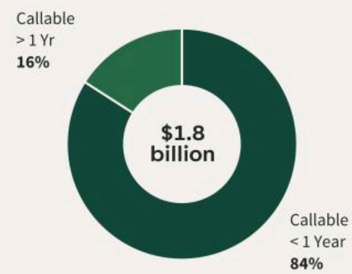
CAPITAL ALLOCATION



PORTFOLIO COST OF FUNDS[1]



OPTIONALITY EMBEDDED IN PORTFOLIO DEBT[2]



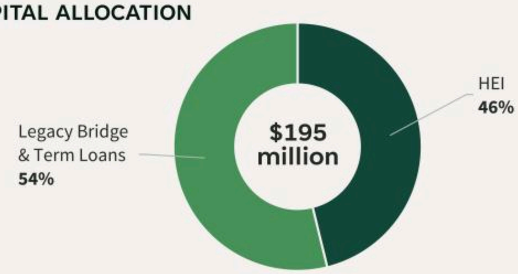
Detailed Endnotes are included at the end of this presentation.

Legacy Investments Q2’26 Performance Summary

HOUSING INVESTMENTS NO LONGER STRATEGIC TO OUR PLATFORM

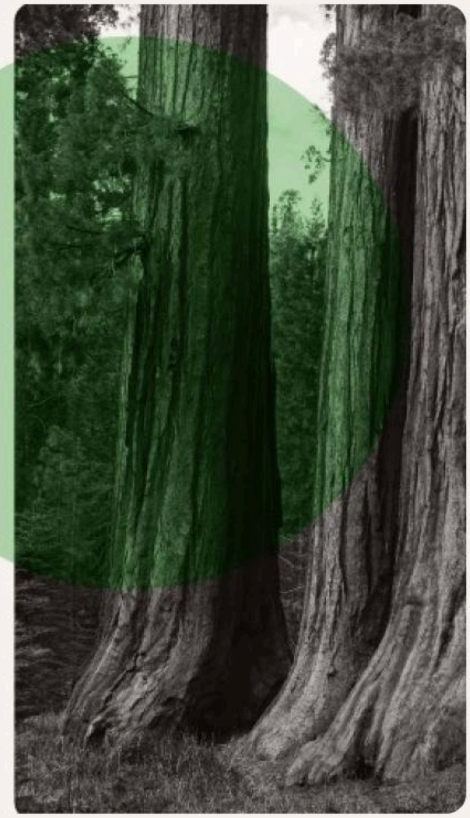
- Ongoing focus on reducing legacy portfolio through dispositions / resolutions
- Priced a secured financing arrangement for our remaining HEI portfolio, further enhancing balance sheet flexibility
- Q2’26 Legacy bridge loan activity
    - Resolved $16 million of DQ 90+
    - 90 day+ DQ loans have declined 65% since Q1’25
    - Legacy bridge / term loans now represent ~6% of total capital

CAPITAL ALLOCATION



QOQ 90 DAY+ LEGACY BRIDGE LOAN DELINQUENCIES

Financial Results



Income Statement

($ in millions, except per share data)

	Three Months Ended	
	6/30/2026	3/31/2026
Net interest income	$ 32.1	$ 34.7
Non-interest income		
Mortgage banking activities, net	32.1	32.0
Investment fair value changes, net	(22.5)	(23.2)
HEI income, net	2.8	7.1
Servicing Income	2.6	8.0
Fee Income	3.0	2.9
Other income, net	6.0	2.4
Realized (losses) gains, net	—	—
Total non-interest income, net	$ 23.9	$ 29.2
General and administrative expenses	(38.2)	(49.4)
Portfolio management costs	(7.0)	(8.7)
Loan acquisition costs	(6.0)	(6.7)
Other expenses	(4.7)	(7.1)
(Provision for) benefit from income taxes	(1.1)	2.5
Net (loss) Income	$ (1.1)	$ (5.5)
Dividends on preferred stock	(1.8)	(1.8)
Net (loss) income (related) available to common stockholders	**$ (2.9)**	**$ (7.3)**
(Loss) Income per basic and diluted common share	**$ (0.03)**	**$ (0.07)**

Detailed Endnotes are included at the end of this presentation.

Balance Sheet

($ in millions)

		6/30/2026		3/31/2026
Residential consumer loans	$	23,638.7	$	21,299.9
Residential investor loans		3,125.5		3,310.5
Real estate securities		480.9		476.4
Home equity investments		339.7		341.1
Servicing Investments		290.8		299.7
Strategic Investments		97.1		106.7
Cash and cash equivalents		191.8		202.4
Other assets		653.5		779.0
Total assets	**$**	**28,818.1**	**$**	**26,815.8**
ABS issued	$	22,515.9	$	20,417.8
Debt obligations, net		4,956.6		4,867.4
Other liabilities		411.8		573.9
Total liabilities		**27,884.3**		**25,859.1**
Equity		933.8		956.7
Total liabilities and equity	**$**	**28,818.1**	**$**	**26,815.8**

Detailed Endnotes are included at the end of this presentation.

Capital Allocation Summary

($ in millions)

	As of June 30, 2026				As of 3/31/26
	Fair Value of Assets [1]	Recourse Debt	Non-Recourse Debt [2]	Total Capital	Total Capital
Sequoia Mortgage Banking					
Loans and other working capital [3]	$ 2,312	$ (1,706)	$ (306)	$ 300	$ 500
Aspire Mortgage Banking					
Loans and other working capital [3]	930	(730)	—	200	200
CoreVest Mortgage Banking					
Loans and other working capital [3]	229	(101)	—	128	142
Platform premium	30	—	—	30	32
Total CoreVest Mortgage Banking	259	(101)	—	158	174
Redwood Investments					
Sequoia Retained Investments	1,373	(422)	(451)	499	230
CoreVest Retained Investments	1,358	(261)	(981)	115	92
Third-Party Investments	189	—	—	189	189
Total Redwood Investments	2,919	(684)	(1,432)	804	510
Legacy Investments	699	(403)	(102)	195	242
Corporate [4]	180	(902)	—	(722)	(669)
Total / Equity	**$ 7,299**	**$ (4,526)**	**$ (1,840)**	**$ 934**	**$ 957**

Detailed Endnotes are included at the end of this presentation.

Mortgage Banking Key Results

($ in millions)

	Q2 2026				Q1 2026			
	Sequoia Mortgage Banking	Aspire Mortgage Banking	CoreVest Mortgage Banking	Total	Sequoia Mortgage Banking	Aspire Mortgage Banking	CoreVest Mortgage Banking	Total
Net interest income	$ 27.3	$ 3.6	$ 1.3	$ 32.1	$ 25.0	$ 3.6	$ 2.1	$ 30.7
Mortgage banking activities, net	12.9	9.2	9.9	32.1	22.1	2.7	7.2	32.0
Servicing income	—	—	—	—	—	—	—	—
Investment fair value changes, net	—	—	—	—	—	—	(0.3)	(0.3)
Fee Income	—	—	2.5	2.5	—	—	2.8	2.8
Other income, net	—	—	(0.2)	(0.2)	—	—	0.6	0.6
Mortgage banking income	40.2	12.8	13.5	66.5	47.0	6.4	12.5	65.8
Operating expenses	(8.2)	(3.9)	(12.5)	(24.6)	(9.9)	(3.5)	(17.8)	(31.2)
Benefit from (provision for) income taxes	0.1	(1.4)	0.3	(1.0)	1.2	(0.3)	2.1	3.0
Preferred Dividends	(0.5)	(0.2)	(0.1)	(0.8)	(0.5)	(0.2)	(0.1)	(0.8)
Net Income (GAAP)	**$ 31.6**	**$ 7.3**	**$ 1.2**	**$ 40.1**	**$ 37.8**	**$ 2.3**	**$ (3.4)**	**$ 36.7**
Non-GAAP Adjustments:								
Acquisition related expenses	—	—	2.0	2.0	—	—	2.0	2.0
Organizational restructuring charges	—	—		—	—	—	5.0	5.0
Tax effect of adjustments	—	—	(0.4)	(0.4)	—	—	(1.8)	(1.8)
EAD (non-GAAP) [1]	**$ 31.6**	**$ 7.3**	**$ 2.8**	**$ 41.7**	**$ 37.8**	**$ 2.3**	**$ 1.8**	**$ 41.9**
Capital utilized (average for period) [2]	$ 350	88	$ 47	$ 485	$ 252	94	$ 40	$ 386
Return on Capital [3]	36.1 %	33.2 %	10.0 %	33.1 %	60.1 %	9.6 %	(33.7)%	38.0 %
EAD Return on Capital (non-GAAP) [1]	36.1 %	33.2 %	23.5 %	34.4 %	60.1 %	9.6 %	18.3 %	43.4 %
Production Volumes								
CoreVest term loan fundings			$ 186.6				$ 167.6	
CoreVest bridge loan fundings			$ 223.7				$ 264.8	
Sequoia and Aspire loan locks	$ 5,560.6	$ 2,052.6			$ 6,518.1	$ 1,562.4		
Sequoia and Aspire loan purchase commitments (fallout adjusted)	$ 4,977.7	$ 1,450.1			$ 5,498.2	$ 1,156.7		

*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	
	6/30/2026	3/31/2026
Net interest income	$ 10.2	$ 12.4
Investment fair value changes, net	(10.2)	(15.4)
HEI income, net	0.5	0.6
Servicing Income, net	2.6	8.0
Fee Income, net	0.5	0.2
Other income, net	5.2	0.9
Operating expenses	(6.6)	(12.7)
(Provision for) income taxes	(0.6)	(1.4)
Preferred Dividends	(0.8)	(0.7)
Net Income (GAAP)	**$ 0.7**	**$ (8.0)**
Non-GAAP Adjustments:		
Investment fair value changes, net	10.2	15.4
Organizational restructuring charges	—	2.1
Tax effect of adjustments	(0.9)	3.8
EAD (non-GAAP) [1]	**$ 10.0**	**$ 13.4**
Average capital utilized	$ 640	$ 587
Less: average corporate debt utilized	(300)	(299)
Capital utilized (average for period)	**$ 340**	**$ 288**
Return on Capital [2]	0.9 %	(11.1)%
EAD Return on Capital (non-GAAP) [1]	11.8 %	18.6 %
At period end		
Carrying values of assets	$ 2,919.3	$ 2,455.5
Secured recourse debt	(683.7)	(566.3)
Secured non-recourse debt	(1,432.0)	(1,378.8)
Capital invested	$ 803.6	$ 510.4
Recourse leverage ratio [3]	0.9x	1.1x

*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.

Recourse Debt Balances

($ in millions)

	June 30, 2026							March 31, 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	$ —	$ —	$ —	$ —	$ 902	$ 902	8.3 %	$ 777	8.1 %
Secured financing facility	899	371	—	371	—	371	8.7 %	331	8.7 %
Securities portfolio	681	345	130	474	—	474	7.0 %	452	7.0 %
Term loans	19	17	—	17	—	17	5.6 %	4	5.6 %
Bridge loans	253	171	—	171	—	171	6.9 %	149	7.1 %
Sequoia and Aspire loans(3)	2,590	—	2,424	2,424	—	2,424	5.3 %	2,803	5.4 %
HEI Options	99	42	—	42	—	42	8.2 %	43	8.2 %
MSR(4)	292	—	125	125	—	125	6.9 %	114	6.9 %
Total	**$ 4,833**	**$ 945**	**$ 2,678**	**$ 3,624**	**$ 902**	**$ 4,526**	**6.5 %**	**$ 4,674**	**6.4 %**

Recourse Debt Scheduled Maturities(1)(5)

Detailed Endnotes are included at the end of this presentation.

Non-GAAP Disclosures

Non-GAAP Disclosures

To supplement consolidated and segment financial information prepared and presented in accordance with U.S. generally accepted accounting principles ("GAAP"), the Company also provides Earnings Available for Distribution ("EAD"), EAD Return on Equity ("EAD ROE"), Core Segments Earnings Available for Distribution ("Core Segments EAD") and Core Segments EAD Return on Equity ("Core Segments EAD ROE") as non-GAAP measures.

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, including the Company's ability to pay dividends. These measures also assist in evaluating the Company's ongoing transition to a more scalable and simplified 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.

Earnings Available for Distribution ("EAD") and EAD ROE are non-GAAP financial measures that the Company has historically reported and continues to use to present management's non-GAAP analysis of the operating performance of the Company's different business segments. EAD is defined, as GAAP net income (loss) available (related) to common stockholders, adjusted to (i) exclude investment fair value changes, net; (ii) exclude realized gains and losses; (iii) exclude acquisition-related expenses; (iv) exclude certain organizational restructuring charges, as applicable; and (v) reflect a hypothetical income tax adjustment associated with these items. EAD ROE is defined as EAD divided by average common equity.

ROC is a non-GAAP measure for a segment that is calculated as GAAP segment net income (loss) annualized divided by average capital utilized for the segment during the period. Average capital utilized represents management's internal estimate of the average economic capital allocated to support the activities of each segment.

Beginning in the first quarter of 2026, we revised our segment reporting to (i) present Aspire Mortgage Banking as a new reportable segment separate from our Sequoia Mortgage Banking segment and (ii) allocate corporate financing costs and debt to our Mortgage Banking platforms (consisting of Sequoia, Aspire and CoreVest Mortgage Banking) and our Redwood Investments and Legacy Investments segments. This change had no impact on the consolidated financial statements and all prior period amounts were conformed to the current presentation.

ROC for the combined Mortgage Banking platforms is a non-GAAP measure calculated as annualized net income for the Company's combined Mortgage Banking platforms, divided by the average capital utilized by the combined Mortgage Banking platforms for the period. Average capital utilized represents management's internal estimate of the average capital deployed to support the activities of these platforms and was $485 million for Q2 2026 and $386 million for Q1 2026.

EAD ROC for a segment is calculated as non-GAAP segment EAD annualized divided by average capital utilized for the segment during the period. Average capital utilized represents management's internal estimate of the average economic capital allocated to support the activities of each segment, and for Q2'26 and Q1'26 were the following, respectively – Sequoia Mortgage Banking: $350 million and $252 million; Aspire Mortgage Banking: $88 million and $94 million; CoreVest Mortgage Banking: $47 million and $40 million; and Redwood Investments: $340 million and $288 million.

Core Segments EAD and Core Segments EAD ROE represent management's non-GAAP assessment of the combined performance of the Company's mortgage banking platforms and related investments, which include the Sequoia Mortgage Banking, Aspire Mortgage Banking, CoreVest Mortgage Banking, and Redwood Investments segments (collectively, the "Core Segments"), together with an allocated portion of the Corporate segment attributable to those operations.

Core Segments EAD excludes the Legacy Investments segment and the portion of the Corporate segment attributable to Legacy Investments. Core Segments EAD ROE is calculated as Core Segments EAD divided by the average capital utilized by the Core Segments during the period, which represents management's internal estimate of the average economic capital allocated to support the Core Segments' activities.

Non-GAAP Disclosures (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 [3]	Legacy Investments	Corporate/ Other [4]	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 [5]	—	—	—	10.2	**10.2**	12.3	—	**22.5**
Realized (gains)/losses, net [6]	—	—	—	—	—	—	—	—
Acquisition related expenses [7]	—	—	2.0	—	**2.0**	—	—	**2.0**
Tax effect of adjustments [9]	—	—	(0.4)	(0.9)	**(1.3)**	—	—	**(1.3)**
Non-GAAP EAD [2]	**$ 31.6**	**$ 7.3**	**$ 2.8**	**$ 10.0**	**$ 51.7**	**$ (11.0)**	**$ (20.4)**	**$ 20.3**
Adjustment for allocation of Corporate segment [4]	(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**

Net Income (loss) (GAAP)	**$ (2.9)**
EAD (Non-GAAP)	**$ 20.3**
Core Segments EAD (Non-GAAP)	**$ 34.0**
Net Income (loss) per Basic Common Share (GAAP)	**$ (0.03)**
EAD per Basic common share (Non-GAAP)	**$ 0.15**
Core Segments EAD per Basic Common Share (Non-GAAP) [10]	**$ 0.25**
Return on Equity ("ROE") (annualized) [11]	**(1.3)%**
EAD ROE (Non-GAAP) (annualized)	**9.6 %**
Core Segments EAD Return on Equity (annualized) ("Core Segments EAD ROE") (Non-GAAP) [12]	**18.5 %**

Detailed Endnotes are included at the end of this presentation.

Non-GAAP Disclosures (Continued)

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

	Three Months Ended March 31, 2026							
$ in millions	Sequoia Mortgage Banking	Aspire Mortgage Banking	CoreVest Mortgage Banking	Redwood Investments	Total Core Segments [3]	Legacy Investments	Corporate/ Other [4]	Total
GAAP Net Income (Loss)	**$ 37.8**	**$ 2.3**	**$ (3.4)**	**$ (8.0)**	**$ 28.7**	**$ (13.1)**	**$ (22.9)**	**$ (7.3)**
EAD Adjustments:								
Investment fair value changes, net [5]	—	—	—	15.4	**15.4**	7.5	—	**22.9**
Realized (gains)/losses, net [6]	—	—	—	—	**—**	—	—	**—**
Acquisition related expenses [7]	—	—	2.0	—	**2.0**	—	—	**2.0**
Organizational restructuring charges [8]	—	—	5.0	2.1	**7.1**	—	0.3	**7.4**
Tax effect of adjustments [9]	—	—	(1.8)	3.8	**2.0**	0.1	(0.1)	**1.9**
Non-GAAP EAD [2]	**$ 37.8**	**$ 2.3**	**$ 1.8**	**$ 13.3**	**$ 55.2**	**$ (5.5)**	**$ (22.7)**	**$ 27.1**
Adjustment for allocation of Corporate segment [4]	(7.0)	(2.6)	(1.1)	(8.0)	**(18.7)**	(3.9)	22.7	—
Non-GAAP EAD with Allocated Corporate Segment	**$ 30.8**	**$ (0.3)**	**$ 0.7**	**$ 5.3**	**$ 36.5**	**$ (9.4)**	**$ —**	**$ 27.1**

Net Income (loss) (GAAP)	**$ (7.3)**
EAD (Non-GAAP)	**$ 27.1**
Core Segments EAD (Non-GAAP)	**$ 36.5**
Net Income (loss) per Basic Common Share (GAAP)	**$ (0.07)**
EAD per Basic common share (Non-GAAP)	**$ 0.21**
Core Segments EAD per Basic Common Share (Non-GAAP) [10]	**$ 0.28**
Return on Equity ("ROE") (annualized) [11]	**(3.1)%**
EAD ROE (Non-GAAP) (annualized)	**11.5 %**
Core Segments EAD Return on Equity (annualized) ("Core Segments EAD ROE") (Non-GAAP) [12]	**19.1 %**

Detailed Endnotes are included at the end of this presentation.

Non-GAAP Disclosures (Continued)

Footnotes:

1. Certain totals may not foot due to rounding.
2. Earnings Available for Distribution ("EAD") is a non-GAAP measure that the Company has historically reported and continues to use to present management's non-GAAP analysis of the operating performance of the Company's different business segments. EAD is defined, as GAAP net income (loss) available (related) to common stockholders, adjusted to (i) exclude investment fair value changes, net; (ii) exclude realized gains and losses; (iii) exclude acquisition-related expenses; (iv) exclude certain organizational restructuring charges, as applicable; and (v) reflect a hypothetical income tax adjustment associated with these items.
3. Core Segments EAD and Core Segments EAD ROE are non-GAAP measures and are used to present management's non-GAAP analysis of the combined performance of the Company's mortgage banking platforms and related investments (which are defined as the "Core Segments" and which consist of the Company's Sequoia Mortgage Banking, Aspire Mortgage Banking, CoreVest Mortgage Banking and Redwood Investments segments), inclusive of an allocated portion of the Company's Corporate segment relating to those Core Segments. Core Segments EAD excludes the Company's Legacy Investments segment and excludes an allocated portion of the Company's Corporate segment relating to the Legacy Investments segment.

   Core Segments EAD is defined as: GAAP net income (loss) available (related) to common stockholders adjusted to (i) exclude GAAP net loss from the Legacy Investments Segment, (ii) exclude the portion of the Corporate Segment allocation relating to the Legacy Investments segment, (iii) exclude investment fair value changes, net; (iv) exclude realized gains and losses; (v) exclude acquisition related expenses; (vi) exclude certain organizational restructuring charges (as applicable); and (vii) adjust for the hypothetical income taxes associated with these adjustments.

   Refer to footnote 12 for the definition of Core Segments EAD ROE.
4. 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. Beginning in the first quarter of 2026, we revised our segment reporting to allocate corporate financing costs and debt to our Sequoia Mortgage Banking, Aspire Mortgage Banking, CoreVest Mortgage Banking, Redwood Investments and Legacy Investments segments. This change had no impact on the consolidated financial statements and all prior period amounts were conformed to the current presentation.
5. 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 income, net".
6. Realized (gains)/losses, net includes all amounts within that line item on our consolidated statements of (loss) income that are attributable to each segment.
7. 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.
8. Organizational restructuring charges for the first quarter of 2026 represent costs associated with employee severance and related transition expenses.
9. Tax effect of adjustments represents the hypothetical income taxes associated with EAD adjustments used to calculate each segment EAD.
10. Core Segments EAD per basic common share is a non-GAAP measure and is defined as Core Segments EAD divided by basic weighted average common shares outstanding at the end of the period.
11. ROE consists of consolidated GAAP net income annualized divided by average common equity for the period.
12. Core Segments EAD ROE is a non-GAAP measure and is defined as Core Segments EAD annualized divided by average capital utilized by the Core Segments of $737 million and $762 million for the three months ended June 30, 2026 and March 31, 2026, respectively. Average capital utilized is management's internal estimate of the average economic capital allocated to support the activities of the Core Segments.

Endnotes

ENDNOTES

Slide 5 (Redwood's Market Leading Housing Platform)
Source: Company financial data as of June 30, 2026 unless otherwise noted. Market data rate per Bloomberg as of July 24, 2026.

1. Includes securitizations across Sequioa, Aspire, and CoreVest mortgage banking platforms. Sequoia includes securitizations of previously retained investments from Sequoia securitizations as well as securitizations that were issued and called within the reporting period.
2. LTD Production includes loan locks at our Sequoia Mortgage Banking Segment 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.
3. JP Morgan research and securitization data.

Slide 6 (Diverse Capital Base Supports Continued Growth)
Source: Company financial data as of June 30, 2026 unless otherwise noted.

1. The amount represents maximum committed capital levels across each of the following joint ventures: Sequoia JV, CoreVest JV and Aspire JV.
2. Annual Total Volume Potential includes management's projections of FY 2026 total production volumes.

Slide 7 (Joint Venture Partnerships Drive Higher Volume and Overall Returns)
Source: Company financial data as of June 30, 2026 unless otherwise noted.

1. Estimated return on capital invested based on management's estimates.

Slide 8 (Second Quarter 2026 Financial Performance)
Source: Company financial data as of June 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.
2. Indicative dividend yield based on RWT closing stock price of $4.74 on June 30, 2026.

Slide 11 (Strong Performance Amid Market Volatility)
Source: Company financial data as of June 30, 2026 unless otherwise noted.
Market data represents 10-Year Treasury rate per Bloomberg as of June 30, 2026.

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.

Slide 12 (Record Securitization Activity in 1H'26 – over $10 billion in issuance)
Source: Company financial data as of June 30, 2026 unless otherwise noted.

1. Total issuance figures include securitizations of retained investments and securitizations out of Joint Ventures. Securitization activity for Sequoia includes $1.5 billion and $1.2 billion of securitizations in the second and first quarter of 2026 respectively that were issued and redeemed within each respective quarter.

Slide 13 (Continued Efficiency Gains as Production Scales)
Source: Company financial data as of June 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 14 (Leverage Associated with Fast Turning Assets)
Source: Company financial data as of June 30, 2026 unless otherwise noted.

1. Average days of loans on balance sheet measures from purchase to disposition.
2. Recourse leverage is recourse debt divided by tangible shareholder equity. At June 30, 2026, and March 31, 2026, recourse debt excluded $23.4 billion and $21.2 billion, respectively, 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 $30 million and $32 million, respectively, of goodwill and intangible assets.

Slide 15 (Improved Financing Terms Supporting Growth)
Source: Company financial data as of June 30, 2026 unless otherwise noted.

1. Includes a secured financing facility with a stated maturity of March 2027 that is presented in 2028 due to an 18-month extension option at the Company's discretion; upon extension, the commitment reduces from $400 million to $325 million beginning in April 2028.
2. Data excludes a secured financing facility with stated maturity of March 2027.

Slide 19 (Sequoia Q2'26 Performance Summary)
Source: Company financial data as of June 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 20 (Sequoia Q2'26 Performance Summary (Continued))
Source: Company financial data as of June 30, 2026 unless otherwise noted.

1. Gain on Sale margins reflect net revenue divided by loan purchase commitments.
2. Cost per loan for the Sequoia Mortgage Banking segment is calculated as operating expenses of this segment divided by loan purchase commitments of this segment.

Slide 21 (Aspire Q2'26 Performance Summary)
Source: Company financial data as of June 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. Cost per loan for the Aspire Mortgage Banking segment is calculated as operating expenses of this segment divided by loan purchase commitments of this segment.

Slide 22 (CoreVest Q2'26 Performance Summary)
Source: Company financial data as of June 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 23 (Redwood Investments Q2'26 Performance Summary)
Source: Company financial data as of June 30, 2026 unless otherwise noted.

1. Portfolio cost of funds reflects interest expense relative to UPB.
2. Callability reflects the right to repay before stated maturity under specified terms.

ENDNOTES (Continued)

Slide 25 (Legacy Investments Q2'26 Performance Summary)
Source: Company financial data as of June 30, 2026 unless otherwise noted.

Slide 28 (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 29 (Appendix: Mortgage Banking Key Results)
1. EAD and EAD Return on Capital are non-GAAP measures that are also referred to as EAD and EAD ROC, respectively. Please refer to Non-GAAP Disclosures within the Endnotes section of this presentation for additional information on these measures.
2. Capital utilized for CoreVest operations does not include $30 million of platform premium.
3. ROC by segment is annualized net income (loss) for the segment divided by average capital utilized for the period.

Slide 30 (Appendix: Redwood Investments Key Results)
1. EAD and EAD Return on Capital are non-GAAP measures that are also referred to as EAD and EAD ROC, respectively. Please refer to Non-GAAP Disclosures within the Endnotes section of this presentation for additional information on these measures.
2. Recourse leverage ratio is calculated as Secured recourse debt balances divided by Capital invested, as presented within this table.

Slide 31 (Appendix: Recourse Debt Balances)
1. Non-marginable debt and marginable debt refers 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.

Glossary of Terms

Term	Definition
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
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
QM	Qualified mortgage
QoQ	Quarter over quarter (comparison of sequential quarters)
ROC	Return on capital

Term	Definition
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 sequential 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.