

[Redwood Trust, Inc. Letterhead]

SCHEDULE A

Optional Cash Payments:

<TABLE>
 <CAPTION>

THRESHOLD PRICE & OPTIONAL CASH DISCOUNT DATE	WAIVER DUE DATE	OPTIONAL CASH PAYMENT DUE DATE	PRICING PERIOD COMMENCEMENT DATE	INVESTMENT DATE
<S> November 29, 2001	<C> December 4, 2001	<C> December 6, 2001	<C> December 7, 2001	<C> December 21, 2001
December 27, 2001	January 2, 2002	January 4, 2002	January 7, 2002	January 22, 2002
January 29, 2002	February 1, 2002	February 5, 2002	February 6, 2002	February 21, 2002
February 27, 2002	March 4, 2002	March 6, 2002	March 7, 2002	March 21, 2002
March 29, 2002	April 3, 2002	April 5, 2002	April 8, 2002	April 22, 2002
April 29, 2002	May 2, 2002	May 6, 2002	May 7, 2002	May 21, 2002
May 30, 2002	June 4, 2002	June 6, 2002	June 7, 2002	June 21, 2002
June 27, 2002	July 2, 2002	July 5, 2002	July 8, 2002	July 22, 2002
July 30, 2002	August 2, 2002	August 6, 2002	August 7, 2002	August 21, 2002
August 29, 2002	September 4, 2002	September 6, 2002	September 9, 2002	September 23, 2002
September 26, 2002	October 1, 2002	October 3, 2002	October 4, 2002	October 21, 2002
October 29, 2002	November 1, 2002	November 5, 2002	November 6, 2002	November 21, 2002
November 29, 2002	December 4, 2002	December 6, 2002	December 9, 2002	December 23, 2002
December 26, 2002	December 31, 2002	January 3, 2003	January 6, 2003	January 21, 2003

</TABLE>

DIVIDENDS REINVESTED:
 COMMON AND PREFERRED DIVIDENDS

<TABLE>
 <CAPTION>

Record Date	Investment Date
<S> March 29, 2002	<C> April 22, 2002

June 28, 2002
September 30, 2002
December 31, 2002
</TABLE>

July 22, 2002
October 21, 2002
January 21, 2003

(1) The dates indicated are those expected to be applicable under the Plan with respect to future dividends, if and when declared by the Board of Directors. The actual record and payment dates will be determined by the Board of Directors and are subject to change.

FOR FUTURE REFERENCE:

<TABLE>
<CAPTION>

THRESHOLD PRICE & OPTIONAL CASH DISCOUNT SET DATE	WAIVER DUE DATE	OPTIONAL CASH PAYMENT DUE DATE	PRICING PERIOD COMMENCEMENT DATE	INVESTMENT DATE
<S> 5 business days prior to Optional Cash Payment Date	<C> 2 business days prior to Optional Cash Payment Date	<C> 1 business day prior to Pricing Period	<C> 10 trading days prior to Investment Date	<C> The 21st (or first business day thereafter)

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